

Board of Directors Meeting Minutes

May 24, 2018

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS MINUTES MAY 24, 2018

PRESENT: Jeff McBride, Rosanna Coveyou, Greg Custer, Minh Hoang,

David Lamb, Juliette Meunier, Jess Meyers, Katie O'Connor, Mike Proud, John Rochford, Don Saulic, Jay Scott, Lisa Alonso

BOARD MEMBERS ABSENT: Michael Hahn, Sean Peasley, Weikko Wirta

STAFF PRESENT: Dolores Daly, Joyce Kirchhofer, Christine Salas, Anna Romiti,

JoAnn DeLaHousaye

STAFF ABSENT: None

GUESTS: Sarah Steffen

The meeting was called to order at 7:36 am with a quorum present.

Jess Meyers gave the invocation.

The April BOD Meeting Minutes were reviewed and approved. Dave – Motioned/Juliette Seconded / All were in favor.

Chairman's Report - Rosanna Coveyou

Rosanna thanked everyone for agreeing to serve on a committee. Please reach out to her if you have any questions or feedback.

The EthicsPoint Taskforce met. We had a good discussion of how to improve our policies to make the Y stronger. Jeff McBride interjected that we need a process in place in order to avoid a reoccurrence of what recently happened. This was a very good meeting, with everyone wanting to go in the same direction of making the Y better. Thank you especially to Juliette for all she's done.

Board Retreat - We'll be rescheduling the Board retreat, but in the same timeframe on a Friday. We're really excited about this upcoming retreat!

Fun Events - May 8th was the Distinguished Service Award event. Dolores Daly stated that this was a great event. We'll continue to do this event where it just focuses on the volunteers. The Ride for Healing was another amazing event. Jeff said that this was a very moving event. This was for people who have been traumatized by serious events in their lives. The support from the staff for this was expedientially high. Joyce Kirchhofer stated how amazing this event was. She said that it was very meaningful and touched so many people, including her niece. Rosanna said that it's great that the employees are being encouraged to do things outside of the box. Please try to come to as many of these events as possible.

Rosanna then thanked Greg Custer for planning his Duffy boat events for the Board!

President's Report - Jeff McBride

PDF and CARES are now available to the staff for them to make requests for funds for projects. The staff are feeling more empowered, so more requests are starting to come in.

We are continuing to address the cultural changes with staff.

Dale Dykema, a former Board member, recently passed and generously left us one million dollars. We have received two check from his estate so far.

<u>Annual Campaign Presentation - Sarah Steffen</u>

Were at 85% of our goal for general fund raising. We're at 52% of Board goal. The Ride for Healing event was very successful, and made \$10,500. Most of our AO funds go to childcare. Board campaign funds go to childcare, mission based PDF/CARES, and then to Y Inclusion. Sarah has put the BOD on fundraising teams again this year. Fundraising packets were passed out to everyone. Our goal is to reach \$160,000 by the end of the year. Sarah will send out a "Teamraiser" link. Be aware though that it does take out service fees.

Sarah then presented Dave Lamb with a special recognition plaque from the AO. Dave has given over \$400,000 to the YMCA of OC over the last 22 years. Jeff said that Dave is very special to us as a person, and because of what he and his family bring to the organization. Thank you Dave!

Finance Committee Report - Juliette Meunier

Juliette, Joyce Kirchhofer and the Finance Committee are working on getting the right level of financial information out to everyone. The committee is going to look at the financials by program next. The Finance Committee has also been meeting with other committees to come up with intersection points and triggering events that would cause the Finance Committee to get involved. We have draft policies around Facilities/Capital, Audit and Legal/HR committees. We're looking to do the same with the CARES and PDF committees.

The financial highlights are in the narrative that was included in your Board packet. Mission Viejo is now profitable and doing well. Joyce said that by the end of this month, we'll have transferred the deed from Pomona Valley, which is about \$4M, which will be shown on the financials. Joyce briefly talked about the cost of the recent legal situation. The cost for this is over \$400,000 as of the end of April, and we're not done yet. Rosanna asked about corporate wellness. What are we going to do about the money we're losing? Dolores Daly said that we're moving to regional wellness rather than corporate wellness. We're also looking at everything regarding membership. We have a membership resource team that is currently being led by Jenn Heinen. However, we're going to be adding a regional membership position which will include regional wellness.

<u>Audit Committee Report - Jess Meyers</u>

The Audit Committee met with the auditors on May 7th to review the 2017 Audit. It was a clean opinion. There were no material adjustments made. Internal Control issue was cash handling, which management has already addressed. There were some suggestions and minor changes that were done. The auditors commented that this audit was like night and day compared to last year's. The 990 should be ready within two weeks.

<u>CARES Committee Report – Mike Proud</u>

CARES is partnering with a new program called "Mentor Up". We heard other program presentations at our last meeting, but they didn't quite fit with our mission. Jimmy Lessard is our CARES champion at Huntington Beach and Allison Jacoby is our champion at Newport Beach. They are both very passionate about the CARES mission. We are hoping that these two people can help us find other CARES champions so that we can roll this out throughout the other branches. We recently had two barbeques to introduce CARES and the new branch Chaplains to the community.

PDF Committee Report – John Rochford

Several people made presentations to us at our last meeting. Jeff said that the PDF Committee gave us a road map for the CARES Committee. We are modeling these two programs after each other. Dolores said that one of the programs that PDF will be approving is the Chapman University childcare course. We'll be partnering with Chapman University on this. John said that we should be tracking this new program closely. Jeff feels that this program is going to snowball.

Board Advancement Committee - Don Saulic

We had a couple of goals that came out of the meeting. We're looking at using "Crescendo" for our planned giving. The committee is looking at how to push this out to everyone who would need it. We're looking at how we should we recognize large donors, and at best practices of other organizations. We're looking at having a team to vet these donations.

<u>Consent Calendar – Rosanna Coveyou</u>

- 1. Recommended by Audit Committee
 - ⇒ Approval of Association's Audited Financial Statements, Exit Letter (SAS 114, SAS 115), and CUSD Agreed Upon Procedures
- 2. Recommended by Executive Management
 - ⇒ Approval of YUSA required Resolution Re: Child Protection and Aquatic Safety
 - ⇒ Approval of authorization to open Morgan Stanley account to transfer Pomona general funds for 22600 Sunset Crossing
 - ⇒ Approval of Resolution Re: Opening Morgan Stanley account to transfer Pomona general funds for 22600 Sunset Crossing
 - ⇒ Approval of authorization to open Morgan Stanley account to transfer Pomona campership funds
 - ⇒ Approval of Resolution Re: Opening Morgan Stanley account to transfer Pomona campership funds
 - ⇒ Approval of authorization to open Morgan Stanley account for transfer of Pomona Charitable Remainder Trust
 - ⇒ Approval of Resolution Re: Opening of Morgan Stanley account for Pomona Charitable Remainder Trust transfer

Dave Lamb – Motioned/Katie O'Conner – Seconded/All were in favor – Consent Calendar Approved.

Other Business - All

John Rochford asked if we have any 1099 employees. Christine Salas stated that our IT employees are 1099 employees. She said that we went through an extensive process with our employment attorney and the IT employees to make sure everything was in order, as we are responsible for this per the state of California.

Meeting adjourned at 8:59 am



PLEASE BRING THE ATTACHED MATERIALS TO THE BOARD OF DIRECTORS MEETING.

ONLY MATERIALS NOT INCLUDED IN THIS PACKET WILL BE AVAILABLE FOR DISTRIBUTION AT THE MEETING

THANK YOU FOR YOUR COOPERATION

BOARD OF DIRECTORS MEETING THURSDAY, MAY 24, 2018

⇒⇒⇒7:30 A.M.⇔⇔⇔

YMCA of Orange County 13821 Newport Ave. Tustin, Ca 92780

BOARD OF DIRECTORS MEETING AGENDA May 24, 2018 7:30 A.M.

Rosanna Coveyou, presiding

Call to Order Rosanna Coveyou

Invocation Jess Meyers

1. Minutes - March 29, 2018 Michael Hahn

April 25, 2018

2. Chairman's Report Rosanna Coveyou

3. President's Report Jeff McBride

4. Annual Campaign Presentation Dolores Daly/

Sarah Steffen

COMMITTEE REPORTS

5. Finance Committee Juliette Meunier

6. Audit Committee Jess Meyers

7. CARES Committee Mike Proud

8. PDF Committee John Rochford

9. Board Advancement Don Saulic

CONSENT CALENDAR Rosanna Coveyou

- 10. Recommended by Audit Committee
 - ⇒ Approval of Association's Audited Financial Statements, Exit Letter (SAS 114, SAS 115), and CUSD Agreed Upon Procedures
- 11. Recommended by Executive Management
 - ⇒ Approval of YUSA required Resolution Re: Child Protection and Aquatic Safety
 - ⇒ Approval of authorization to open Morgan Stanley account to transfer Pomona general funds for 22600 Sunset Crossing
 - ⇒ Approval of Resolution Re: Opening Morgan Stanley account to transfer Pomona general funds for 22600 Sunset Crossing
 - \Rightarrow Approval of authorization to open Morgan Stanley account to transfer Pomona campership funds
 - ⇒ Approval of Resolution Re: Opening Morgan Stanley account to transfer Pomona campership funds
 - ⇒ Approval of authorization to open Morgan Stanley account for transfer of Pomona Charitable remainder Trust
 - ⇒ Approval of Resolution Re: Opening of Morgan Stanley account for Pomona Charitable Remainder Trust transfer
- 12. Recommended by Board Chair and CEO
 - ⇒ Approval of Resolution Re: Updating signers on Bahnsen Group Hightower Advisors account
 - ⇒ Approval of Resolution Re: Removing former Board Chair from Bahnsen Group Hightower Advisors account
- 13. Other Business



Board

of

Directors

Minutes

March 29, 2018

YMCA OF ORANGE COUNTY **BOARD OF DIRECTORS MINUTES** March 29, 2018

John Rochford, presiding

PRESENT

Directors: Michael Hahn

Jean-Paul Afif Beth Haney

Rosanna Coveyou Greg Custer Dave Lamb

Jeff McBride Sean Peasley John Rochford
Bob Traut Weikko Wirta (

John McCarty Don Saulic

Katie O'Conner Jay Scott

Bob Traut

Weikko Wirta (late)

Juliette Meunier (on phone)

Staff:

JoAnn Delahousaye Joan Loch

Joyce Kirchhofer

Christine Salas

Guests:

John Giovannone & Andrew Leet (Seyfarth Shaw)

Absent:

Minh Hoang

John Rochford called the meeting to order at 7:44 a.m.

Michael Hahn gave the invocation. A quorum was present.

MINUTES

Rosanna Coveyou, Secretary

Rosanna Coveyou presented the minutes of the following meetings to the Board for approval:

October 16, 2017 (Special Meeting) October 24, 2017 (Special Meeting) October 27, 2017 November 30, 2017 January 25, 2018 March 21, 2018 (Special Meeting)

The following corrections were requested:

October 16, 2017 minutes - Sean Peasley stated he did not participate in this meeting.

March 21, 2018 minutes - Rosanna stated that Beth Haney wanted a correction made to the meeting minutes on p. 6, 3rd bullet, to state that she was "feeling uncomfortable voting due to personally not currently serving on any committees and witnessing unbecoming behavior from both sides". Joan Loch also stated there needed to be a date correction on p. 2, Item 1 - date at end of line 4 should be March 29, 2018, not March 29, 2017.

A discussion was held on the above series of minutes. John Rochford stated the purpose today is to put the past behind us. Bob Traut, Jean-Paul Afif, Beth Haney and John McCarty stated they will not approve the minutes. Michael Hahn asked the attorneys, John Giovannone and Andrew Leet if they had reviewed all the minutes. They stated they had reviewed the minutes and that they accurately capture the meetings.

Rosanna Coveyou moved that the minutes of the October 16, 2017, as amended above and the minutes of October 24, 2017, October 27, 2017, November 30, 2018, and January 25, 2018 as presented be approved. Dave Lamb seconded the motion. The motion carried (11 ayes, 4 nayes (Traut, Afif, Haney, McCarty, 0 abstentions).

Dave Lamb moved that the March 21, 2018, meeting minutes be approved with the above corrections incorporating Beth Haney's comments. Michael Hahn seconded the motion. The motion carried (10 ayes, 4 nayes (Traut, Afif, Haney, McCarty), 1 abstention (O'Connor).

FINANCE COMMITTEE

Juliette Meunier, Committee Chair

Juliette Meunier asked that Joyce Kirchhofer report out on the Finance Committee meeting since Juliette was attending via phone. Joyce distributed the P&L statement to the Board. She stated that year-to-date the Y is on target to meet net outcome. In the Board packet is the narrative on the branches and the financials. Murrieta and Huntington Beach are still struggling. However, there is a \$744,000 surplus year-to-date. This number does include the investment valuation. The balance sheet is strong. Cash increased \$300,000 this year. Investments have been flat this year. We have \$11.6M in investments. Finance Committee met this week with the Facilities/Capital Committee to discuss and review intersection points. Joyce submitted to the Finance Committee information on the impact of the Tax Reform Act recently passed by Congress. Also, we bound our insurance coverages. We will be changing our renewal date to January 1. Currently we are on a March 1 renewal but will be changing to match our fiscal year.

EXECUTIVE COMMITTEE

John Rochford, Chair

John Rochford reported to the Board that in December 2017 the Executive Committee approved certain renovation expenses. These expenses included a new roof, a new 30T HVAC unit and additional smaller units, some ADA upgrades and bathroom renovations. John also shared with the Board an article from the Harvard Business Review on how to be a good Board Chair. He stated that he found this article particularly timely with the upcoming new Slate of Officers being brought forward.

CONSENT CALENDAR

John Rochford, Board Chair

John Rochford presented the consent calendar for approval by the Board of Directors.

- 1. Recommended by Finance Committee
 - ⇒ Approval of Limits of Authority
- 2. Recommended by Audit Committee
 - ⇒ Approval of WNDE Fee Increases re: Tax & Audit Preparation
- 3. Recommended by Executive Management
 - ⇒ Approval of Childcare Resolution for Childcare Department of Education

Dave Lamb moved that the Board of Directors approve the consent calendar as presented. Don Saulic seconded the motion. The motion carried. (15 ayes, 0 nays, 0 abstentions)

BOARD DEVELOPMENT COMMITTEE

Dave Lamb, Committee Member

Dave Lamb stated that the Board Development Committee met last Friday, March 23, and reviewed the slate of officers that had been previously discussed at a prior meeting on January 25. The committee decided to revise the Slate of Officers for the 2018-2019 Board year. He stated that Rosanna Coveyou has agreed to become the Board Chair effective at the annual meeting. The committee also discussed term renewals and expirations. The committee added an additional member to the Slate of Officers so that there would be 7 officers. Lastly, the committee discussed and recommends to the Board to accept 3 new members. Their bios are in the upcoming action item and were included in the Board packet.

Beth Haney stated the she is submitting her resignation effective immediately as she has been appointed to the Orange County Commission and will not be able to devote the required time as a Board member. She stated she will continue to support the Y.

Action Items:

Recommended by Board Development Committee:

⇒ Acceptance of Resignation of Beth Haney

Dave Lamb moved to accept the immediate resignation of Beth Haney. Don Saulic seconded the motion. The motion carried (14 ayes, 0 nayes, 0 abstentions)

⇒ Approval of 2018-2019 Slate of Officers

Sean Peasley moved to accept the 2018-2019 Slate of Officers as presented. Don Saulic seconded the motion. The motion carried (14 ayes, 0 nayes, 0 abstentions)

⇒ Approval of Resolution Establishing the Members of the Executive Committee

Jay Scott moved to accept the resolution establishing the members of the Executive Committee. John McCarty seconded the motion. The motion carried (14 ayes, 0 nayes, 0 abstentions)

⇒ Nomination of New Board Members – Lisa Alonso, Jess Meyers, Mike Proud

Michael Hahn moved to nominate and accept the 3 new board members as presented. Bob Traut seconded the motion. The motion carried. (14 ayes, 0 nayes, 0 abstentions)

All motions passed unanimously with the Board members in attendance.

OTHER BUSINESS

John Rochford stated he wanted to thank those Board members whose terms are expiring in April 2018 – Bob Traut, Jean-Paul Afif and John McCarty. He stated that Bob was a gracious leader for many years and John appreciates all Bob has done for the YMCA. He recognized Jean-Paul for his analysis and deep thought on issues coming before the board for discussions and decisions. He stated he appreciated John McCarty for his straightforward approach and appreciates his integrity. He also thanked Beth for her service and wished her much success on the Commission.

(Weikko Wirta arrived)

Jeff McBride stated that a lot has happened the last few months but the legacy of the group going off the Board will last through their impact on the CARES and the Program Development Committees. In the end, this legacy will outlast us all and he thanked these members for their impact and passion. He is very grateful to all for what they have done to benefit the Y. Many other Board members shared their appreciation and thanks to these four departing members.

Bob Traut shared a letter recapping his service to the Y including serving as Board Chair. He is one month away from his term expiration but has decided to resign effective immediately and will not attend the annual meeting.

Jean-Paul Afif also shared a letter with the Board and reviewed his long association with the YMCA since he was a child. He also stated that he will be resigning effective immediately and will not attend the annual meeting.

John McCarty stated he would have liked to continue on the Board but that since his term is expiring he will also resign effective immediately.

Dave Lamb moved to accept the resignations of Bob Traut, Jean-Paul Afif and John McCarty effective March 29, 2018. Katie O'Connor seconded the motion. The motion carried. (12 ayes, 0 nayes, 0 abstentions.)

Meeting adjourned at 8:45 a.m.

Respectfully submitted,

Rosanna Coveyou, Secretary



Board

of

Directors

Minutes

April 26, 2018

YMCA OF ORANGE COUNTY **BOARD OF DIRECTORS** ANNUAL MEETING **MINUTES April 26, 2018**

John Rochford, presiding

PRESENT

Directors:

Rosanna Coveyou Greg Custer

Michael Hahn

Minh Hoana

Jeff McBride Mike Proud

Jess Meyers John Rochford

Juliette Meunier (phone) Don Saulic

Sean Peasley

Weikko Wirta

Jay Scott

Juliette Meunier (on phone)

Staff:

Dolores Daly

Joan Loch

JoAnn Delahousaye

Joyce Kirchhofer

Christine Salas

Anna Romiti

Katie O'Conner

Absent:

Lisa Alonso

Dave Lamb

John Rochford called the meeting to order at 7:44 a.m.

Mike Proud gave the invocation. A quorum was present.

INSTALLATION OF OFFICERS

John Rochford, Interim Chair Rosanna Coveyou, Incoming Chair

The slate of officers for the 2018-2019 Board were installed. John Rochford began by installing the incoming Chair, Rosanna Coveyou. Rosanna then proceeded to install the remaining officers. Officers of the Board of Directors of the YMCA of Orange County for the 2018-2019 Board year are as follows:

Rosanna Coveyou, Chair John Rochford, 1st Vice Chair Weikko Wirta, 2nd Vice Chair Dave Lamb, 3rd Vice Chair

Juliette Meunier, Treasurer Michael Hahn, Secretary Jeff McBride, President/CEO Dolores Daly, Assistant Secretary

CLASS OF 2021 - TERM RENEWALS AND NEW BOARD MEMBERS

Rosanna Coveyou, Chair

Rosanna Coveyou informed the Board that the Board Class of 2021 will be comprised of the following members:

Term Renewals:

John Rochford, Don Saulic

New Board Members: Lisa Alonso, Jess Meyers, Mike Proud

Rosanna thanked John and Don for renewing their terms. She also welcomed and introduced the new Board members and asked each to share briefly about their background and why they were excited to join the YMCA of Orange County Board of Directors. Jess and Mike gave a brief summary of their background and experience with the YMCA. Lisa was unable to attend today's meeting due to a last minute conflict that arose.

Rosanna also thanked all Board members for their service and dedication to the YMCA. Whether they are in the midst of their current term, renewing their term or just joining the Board she emphasized the importance their volunteering on the Board and the positive impact it has on the members and communities in our service areas.

MEN OF CHARACTER AWARDS

Rosanna Coveyou, Chair

Rosanna Coveyou shared with the Board that two Board members were recently recognized by the Boy Scouts of America – Orange County Chapter and received the Boy Scouts "Men of Character" award. Both John Rochford, our interim chair, and Jeff McBride, our President/CEO were both honored at this award ceremony. Many Board members were in attendance. Rosanna congratulated John and Jeff and thanked them for being a strong examples of men of character not only to our Board but to the community.

INCOMING CHAIR REMARKS

Rosanna Coveyou, Chair

Rosanna Coveyou shared with the Board her vision for the YMCA of Orange County and for the Board. She introduced Anna Romiti, Vice President of Marketing, to share with the Board information on current programs impacting our communities. Anna shared with the Board live facebook feeds with program directors at the Pomona Valley Early Learning Center, the Huntington Beach Kidzone, and the upcoming Ride for Healing that will take place at the Newport-Mesa YMCA. Rosanna stated that future Board meetings will have time allowed for "Mission Moments" that will allow the Board to see the Y in action. Rosanna also shared about plans for a Board Retreat in the fall of this year that will focus on Board governance and team building. Rosanna felt that this annual meeting presented an opportunity to jump start the team building aspect and introduced Mike Proud to facilitate an exercise on openness and transparency. Mike asked members of the Board and members of the Executive Management team to share their perspectives on working together as a Board/Staff team. The importance of communication and understanding of each other's roles was emphasized. Rosanna thanked Mike for and the those who shared.

ADJOURNMENT

Don Saulic gave the benediction.

Meeting adjourned at 9:10 a.m.

Respectfully submitted,

Michael Hahn, Secretary



Finance

Committee

April 2018

- Minutes April 2018
- Financial Highlights April 2018
- Association Summary by Branch April 2018
- Statement of Financial Position April 2018
- Investment Activity April 2018
- Tipper LLC P & L April 2018

MINUTES OF FINANCE COMMITTEE MEETING APRIL 18, 2018

Present: Juliette Meunier, Joyce Kirchhofer, Dave Lamb, Alicia Chacon-Bidwell,

Minh Hoang, Dolores Daly, JoAnn DeLaHousaye

Absent: Jeff McBride

Meeting called to order at 4:00 pm

TASK LIST	WHO	DATE DUE	DONE

DECISIONS:

The minutes from the March meeting were approved. Juliette/M/Dave/S/All in favor

DISCUSSION:

Branch/Program Update:

Huntington Beach - Dolores briefly talked about the changes that were made at the Huntington Beach branch. We made the Kids Zone larger. Our niche in Huntington Beach is families and seniors. Huntington Beach has a big marketing plan to grab more families and seniors. Huntington Beach has 4 more years left on their lease. The area is very saturated with competition.

Murrieta - Clare McKenna is making a lot of changes with the staff to make this branch more successful, but it's going to take a while to see the results. One of their competitors left, so they feel that they will get some pick up in membership from that. Murrieta is still under a five year lease. We've looked at the option of getting out of the lease, but we can't.

Santa Ana - Still struggling, but we have a contract to run certain programs until 2020.

Pomona – We're still dealing with contracts that the prior Program Director put in place, as well as youth in government. We are not charging appropriately for this.

Mission Viejo - Has completely turned around, and is now making money!

Maple Hill – This is a new, small branch in Diamond Bar. Dolores said that we need to really look at this branch. They're not quite large enough so we may need to sell the property.

Dolores said that overall, membership is our top issue. We need to look at what's happening in the Orange County market more closely. Minh asked if Huntington Beach and Murrieta are cash negative. Murrieta is, but Huntington Beach is not. Juliette said that if these branches continue to lose money, maybe we should look at sub-leasing them. Dolores said that we're currently talking with CHOC about this. They want to sublease space from us for their physical therapy. Camp Elk – We are still utilizing the AS&F funds. Juliette asked if we expect to make Camp Elk profitable. Dolores said that we can only make it profitable if we move to a volunteer staff. We can't make it profitable with an all paid staff. Camp Elk needs stronger fundraising. Sarah Steffen is helping them with this. Juliette asked if we had

MINUTES OF FINANCE COMMITTEE MEETING APRIL 18, 2018

considered raising the camp fees. Dolores said that we look at the fees every year.

New Horizons – This is a very profitable program. They recently moved from suite 105 to suite 150 which has given them a lot more needed space.

Corporate Wellness - Dolores said that we're losing about \$90,000. We're looking at doing something different with this program.

Expense Discussion:

Juliette asked about medical insurance costs. Joyce said that we looked at different plan designs this year as well as the employer portion we pay. We pay up to \$300 per employee per month for coverage. Minh asked how our benefits compare to other companies. Joyce said that we are in about the 55% range.

Minh asked about why our mileage reimbursement expense is so high. Dolores said it's because we have a lot of staff that have to do a lot of driving in their position.

Juliette asked about cell phone costs. Dolores said that we give all staff who are required to have a cell phone a \$50 per month allowance, and all staff who are required to have internet a \$50 per month allowance.

Juliette asked about program expenses. Dolores said that we've made huge progress with our childcare sites. They now have an "Instacart" account which was negotiated by Miguel. Instacart is a service where you place your order online and they deliver groceries to the site the same day. This new service has saved a lot of time at the childcare sites. Regarding credit card expenditures - Joyce said that we spend about \$2million a year on credit cards and we do get rebates, but we can do better. Dolores said were using YPG to leverage pricing. Joyce said that were going to be hiring a purchasing/contracts administrator position. Dolores said they talked to YPG about getting a procurement manager. YPG said that all we really need is a purchasing manager. Juliette said that it would be nice to have this person attend one of the Finance Committee meetings so that we can hear their ideas on cost savings.

Meeting adjourned at 5:05 pm

MINUTES OF FINANCE COMMITTEE/AUDIT COMMITTEE INTERSECTION POINTS MEETING APRIL 18, 2018

Present:

Juliette Meunier, Joyce Kirchhofer, Dave Lamb, Alicia Chacon-Bidwell,

Minh Hoang, Dolores Daly, JoAnn DeLaHousaye

Absent:

Jeff McBride

Guest:

Katie O'Conner (Audit Committee Chair)

Meeting called to order at 3:05 pm

This was a special Finance Committee meeting held specifically to discuss Finance Committee/Audit Committee intersection points.

TASK LIST	WHO	DATE DUE	DONE
Ask the outside auditors if they need our internal audit reports.	Joyce	ASAP	
Draft a policy of how the Finance Committee and Audit Committees should work together.	Juliette	ASAP	

DECISIONS:

DISCUSSION:

The topic of at what time would the Audit Committee include the Finance Committee in a decision. Katie suggested that we need to indicate some areas that the Finance Committee may want to get involved. Katie stated that if the auditors found a material weakness that they would communicate this to the Finance Department. Juliette said that the Finance Committee would need to know these issues as well. There needs to be procedures around certain triggers. Joyce stated that we do have an internal audit system that is run by our QA department. QA does both program audits and finance audits. Joyce will find out if the outside auditors need our internal audit reports. Joyce suggested that we have the head of the QA Department report out to the Finance Committee. The question of which committee should work with QA was asked. Katie thinks that this may be better information for the HR/Legal Committee, not the Finance or Audit Committee. Minh asked for a copy of the QA report. Joyce said that she will get this to everyone on the Finance Committee. How should we monitor tax risk? Joyce said that perhaps we have a chart of work for regularly occurring items, and report these out to the Finance Committee. Katie said that if the auditors bring something to the Audit Committee's attention, then it's probably a big enough issue to bring to the Finance Committee. Minh suggested that Katie share the audit draft with Juliette. Katie could then consult with the Finance Committee on remediation of any audit issues. Joyce said that she wants to have a management response to the management letter. Katie said that most companies who do internal audits have a dotted line reporting to the Audit Committee. Katie suggested that we do this as well, and maybe have a once a year executive session with QA. Juliette asked if it would be a good idea to look at the QA reports to see if they're missing anything. Joyce suggested that program QA get presented to the Legal/HR Committee, and the finance QA get presented to the Finance Committee. Minh asked if we have a report that goes to the legal committee. Dolores said that yes, they get a report every time they meet. Katie suggested adding a legal update item to the Audit Committee meeting agenda. Juliette will draft a policy of how the Finance Committee should work with the Audit Committee.

Adjourned: 3:55 pm

MINUTES OF FINANCE COMMITTEE / LEGAL – HR COMMITTEE INTERSECTION POINTS MEETING APRIL 23, 2018

Present: Juliette Meunier, Jeff McBride, Joyce Kirchoffer, Minh Hoang, Sean Peasley,

Dolores Daly, David Lamb, JoAnn DeLaHousaye

Absent: NA

Guests: Jay Scott (Legal/HR Committee Chair), Christine Salas (Director of HR)

Meeting called to order at 2:02 pm

This was a special Finance Committee meeting held specifically to discuss Finance Committee/Legal-HR Committee intersection points.

TASK LIST	WHO	DATE DUE	DONE
Send Jay the Finance Committee COW	Juliette	ASAP	
Create policy draft of how Finance & Legal-HR Committees will work together on intersection points	Juliette	ASAP	

DECISION(S):

DISCUSSION:

Jay started the conversation by stating that some HR issues are just potential issues, and some are real issues with potential financial impact to us. Wage and hour compliance have the potential to become large financial issues. Benefit plan compliance can also have a huge financial impact. Sean asked if we've had a history of IRS or DOL audits – the answer was no, we have not. Joyce said that the state is going to start auditing companies more often for Worker's Comp. Juliette suggested that the IRS could have a big financial impact on us as well. Juliette suggested that we may need to create a memo to send to employees on what is being deducted from their paychecks. Juliette asked what we should do if we needed to spend money to mitigate risk, that wasn't already in the budget. Should it go to the Finance Committee for approval? It was discussed that lawsuits under \$50,000 do not need to go to the Finance Committee, but lawsuits over \$50,000 do. Dave said that in the past, the Legal/HR Committee met very infrequently. He feels that going forward, the Legal/HR Committee needs to meet more frequently.

Juliette stated that the only item that wasn't in the HR Audit Report were wages. Juliette suggested that using anonymous surveys is a good way to find out if policies are being adhered too. Jay said that his organization is taking a proactive approach to avoid lawsuits, but that this is very hard to do.

Jeff asked the Legal/HR Committee to look at the possibility of our childcare staff unionizing. We do not want the childcare staff to unionize. Jay said that unionizing is very expensive. Sean asked if we need to have something written in our school contracts that if they decide to unionize, then we can't comply. Jeff suggested that we need a policy for times that we need to change things mid-stream.

MINUTES OF FINANCE COMMITTEE / LEGAL – HR COMMITTEE INTERSECTION POINTS MEETING APRIL 23, 2018

Juliette will send Jay the Finance Committee's Chart of Work so that the HR/Legal Committee has a guide to put one together their committee. Juliette will make a draft of policies of how the Finance Committee/Legal-HR Committee will work together on intersection points.

YMCA of Orange County

Financial Highlights – Year to Date April 2018

Year to date has produced a \$918k surplus (6.6% of revenue), this is (\$119k) less than what was budgeted (0.9% of revenue). (\$109k) of this is related to the investments (valuation and short/long term realized losses). Mission Viejo and Laguna Niguel continue to do well. Membership revenue is down (2.5%) from budget and 3.2% over PY. We have made significant changes in our membership marketing efforts, added a mobile app and on-line membership sales, but we are still struggling monthly to reach the 6% growth target. It has been a significant amount of time since the YMCA has conducted a market study and membership survey, so that is currently being explored. Growth opportunities are a focus of executive leadership at this time. Current opportunities include a renewed two-year contract with OCTA, programming contract for the new Rancho Mission Viejo Pavilion gymnasium, exploration of preschool opportunities within districts around Orange County and a new business line with Orange County Department of Education.

Below are selected highlights. Those branches close to their budgeted net may not have details unless there is something noteworthy.

Fullerton - \$29k Favorable Variance

- Sports Revenue is under budget by (\$38k), primarily due to the arena soccer season delay due to turf issues; this is anticipated to be resolved before the June season start.
- \$28k Positive variance in wages and related expenses. Part of the Regional Executive Director's salary has been allocated to Murrieta and wage savings in multiple areas.
- The vast majority of the variance is due to depreciation expense being under budget.

Santa Ana - \$22k Favorable Variance

- Revenue is 3.6% higher this year over last year.
- \$13k in unbudgeted LA84 revenue and successful winter soccer session.
- While there is a favorable variance, the branch does have a deficit even after the monthly \$21k revenue from the Orange County Children's and Families Commission which will cease after 2020. There is some available funding that has not been used for the last few years (\$25k/year), we have applied for retroactive funding that would help Santa Ana to the tune of \$75k for this year, we should find out by late July.

<u>Huntington Beach – (\$134k) Unfavorable Variance</u>

- Overall revenue is 3.2% higher than last year but is (\$36k) less than budgeted because of the 3-month delay in opening the Kid Zone expansion which happened in April. This is anticipated to increase family memberships with the grand opening event resulting in 35 new memberships.
- (\$37k) has been expensed related to items for Kids Zone that did not qualify for capitalization.
- Rent is (\$19k) over budget primarily due to an incorrect rent amount loaded in the budget.
- Wages and related have an unfavorable variance of (\$16k) due to poor budget management in one department and is currently being addressed.

Yorba Linda/Placentia – (\$14k) Unfavorable Variance

• This is primarily due to a shortfall in the annual fundraising campaign, it is expected to be made up by year end.

• Positive movement in programs: Adventure Guides has recently added a new circle to the program, addition of a contract to provide Chair Yoga to a senior living facility and currently doing sign-ups for a 10 team league that was not budgeted.

Newport/Mesa - \$5k Favorable Variance

• Even though the Annual Campaign revenue is (\$33k) behind budget they came close to meeting the budgeted net outcome with \$10k of this coming from depreciation. For the Annual Campaign, there is still \$60k more budgeted in upcoming months, there is a plan with history to hit the goal in the 4th quarter.

Laguna Niguel - \$94k Favorable Variance

- Due to a good start, the Annual Campaign is \$37k ahead of budget as of April; some of this will be reduced in future months when the remaining \$13k Annual Campaign revenue is budgeted.
- Adventures Guides results are good but the event overages will be offset in later months.
- Wages and related are being managed well producing a positive variance of \$24k.
- Depreciation expense is \$19k under budget; it is anticipated that this will be favorable all year.

Mission Viejo - \$26k Favorable Variance

- Annual Campaign is \$2k over budget, similar to Laguna Niguel, there is \$10k remaining in future months in the budget.
- Membership results are ahead of prior year, swim lessons are off to a strong start for spring and Adventure Guides are doing well but some money is owed to expeditions for event overages.

Childcare – (\$33k) Unfavorable Variance

- While overall revenue was very close to budget, the Child Development Fees were 2% under budget at (\$153k); this was offset \$70k by the revenue recognized related to the expenditures on the Sunset Crossing/Pomona Valley renovation. The biggest revenue shortages are at Mission Viejo (MV) sites and the Early Learning Center (ELC). The ELC is implementing a comprehensive marketing plan to increase enrollment and when the toddler license is approved headcount will increase right away. The prior area manager for the MV sites budgeted for a 14% headcount increase which is unrealistic so revenue will be under all year; expenses are flexed with the actual revenue levels.
- Staffing is by far the largest cost; while January was a rough month, managers have been closely watching staffing levels and there has been a \$38k improvement over the last three months.

Camp ELK – \$193k Favorable Variance

- \$223k in revenue was recorded from AS&F funds to cover expenditures related to capital expenditures and program expenses.
- Gas is (\$9k) over budget. This is primarily due to an even spread in the budget, the warmer months will help to offset this overage.

Murrieta – (\$99k) Unfavorable Variance

- Annual campaign is under budget (\$15k), it is expected that this will be made up during the year.
- Membership and program revenue are (\$60k) under budget. Clare McKenna who manages the
 Fullerton facility is overseeing this branch. The membership coordinator is working a plan and
 there is a marketing plan in place to promote memberships and programming. Expenses
 continue to be reviewed in detail, wages and related are almost \$22k less this year than the
 same time last year.

Pomona – (\$44k) Unfavorable Variance

- The Youth In Government program transitioned late last year from Mission Viejo to Pomona Valley. No initial 2018 budget was established and the event pricing and costs were a carryover from the prior program director. Unfortunately, the prior program director didn't price the event fee correctly so this resulted in a loss for two large conferences that participants attended.
- No budget has caused an unfavorable variance of (\$29k) for the Association Service Fee.

Corporate Mission Initiatives - \$13k Favorable Variance

• \$8k of corporate membership revenue received in 2018 was related to November 2017 services.

Association Offices, includes Board Fundraising – (\$182k) Unfavorable Variance

- The primary driver is the unbudgeted investment valuation of (\$72k) plus the short/long term loss on sales (\$37k). Last year at this same time the valuation was \$437k; the markets have definitely changed.
- The board fundraising is behind budget (\$22k) and there is still \$58k more budgeted in future months; there is still work to be done in this area.
- Consulting Fees are (\$32k) over budget. So far (\$20k) is due to the current 3rd party investigator and the majority of the remaining is due to NorthCreek's assistance with HR.
- The Investment in Subsidiary (Tipper, LLC) was not budgeted and currently has a loss of (\$65k)

Growth & Renewed Opportunities:

- The Y has been awarded a \$187,000 contract with OCTA to provide Fitness Center staffing services for their employees for the next 2 years.
- The Y will provide programs and gym operations for the new Rancho Mission Viejo Pavilion gymnasium.
- Exploration of preschool opportunities within districts around Orange County and a new business line with Orange County Department of Education.

Association Summary by Branch For the Four Months Ending April 30, 2018

		Year-to-Date	te		ΔTY	YTD Comparison
				%		Curr YTD vs
Revenue By Branch	Actual	Budget	Variance	Variance	Prior YTD	Prior YTD
Fullerton Family	\$812.823	\$850 277	(37 454)	-4 4%	\$000 F10	(000 00)
Santa Ana Family	219.734	191,453	28 281	14.8%	212,005,	(90,069)
Huntington Beach Family	586,661	614,317	(27.656)	4.5%	560 440	0,747
Yorba Linda/Placentia Family	184,351	200,413	(16,062)	-8.0%	180,114	4 237
Newport Mesa Family	765,765	764,681	1,084	0.1%	763,870	1 895
YMCA Community Services	338,987	332,275	6,712	2.0%	350,652	(11,665)
Laguna Niguel Family	1,049,388	998,655	50,733	5.1%	938,335	111.053
Mission Viejo Family	1,103,357	1,089,654	13,703	1.3%	1,262,428	(159,071)
Capistrano Beach Family	0	0	1	%0.0	73,856	(73,856)
Childcare	8,126,219	8,139,237	(13,018)	-0.2%	7.454,850	671.369
Camp E.L.K.	262,895	42,354	220,541	520.7%	60,104	202,791
San Gabriel Valley	0	0	ì	0.0%	34.217	(34.217)
YMCA of Riverside County	0	0	ı	0.0%	19,752	(19.752)
Murrieta Family	233,073	308,448	(75,375)	-24.4%	249,798	(16.725)
Pomona Valley	185,926	0	185,926	100.0%	0	185,926
Maple Hill Family	44,798	39,358	5,440	13.8%	0	44, 798
Corporate Initiatives	44,450	35,113	9,337	26.6%	38,400	6,050
Association Office	(863)	196,817	(287,680)	-146.2%	1,516,265	(1,607,128)
Total Revenue	13,867,564	13,803,052	64,512	0.5%	14,619,580	(752,016)
Expenses By Branch						
Fullerton Family	764,746	831,354	809.99	8.0%	784 995	20.249
Santa Ana Family	281,841	275,934	(2,907)	-2.1%	201,020	(077.08)
Huntington Beach Family	752,304	646,081	(106,223)	-16.4%	576,810	(175 494)
Yorba Linda/Placentia Family	137,883	139,841	1,958	1.4%	138.236	353
Newport Mesa Family	736,860	740,278	3,418	0.5%	684,977	(51.883)
YMCA Community Services	242,586	236,165	(6,421)	-2.7%	206,212	(36,374)
Laguna Niguel Family	769,090	811,928	42,838	5.3%	864,564	95,474
Mission Viejo Family	955,181	967,473	12,292	1.3%	1,083,112	127,931
Capistrano Beach Family	0	0	•	%0.0	63,141	63,141
Childcare	6,010,347	5,990,222	(20, 125)	-0.3%	5,468,470	(541,877)
Camp E.L.K.	214,359	186,332	(28,027)	-15.0%	180,622	(33,737)
San Gabriel Valley	9,485	11,823	2,338	19.8%	32,304	22,819
YIVICA of Riverside County	0	1,541	1,541	100.0%	24,819	24,819
Murrieta Family	460,638	436,806	(23,832)	-5.5%	439,912	(20,726)
Pomona Valley	229,544	0	(229,544)	-100.0%	0	(229,544)
Maple Hill Family	101,212	97,057	(4,155)	-4.3%	0	(101,212)
Corporate Initiatives	34,416	38,157	3,741	9.8%	18,450	(15,966)
Association Office	1,249,470	1,355,001	105,531	7.8%	1,443,105	193,635
Total Expenses	12,949,962	12,765,993	(183,969)	-1.4%	12,210,800	(739,162)

-3.3% 11.8% -12.6%

4.7% 2.4% 0.2%

Variance

337.4%

-100.0% -100.0%

0.0% 9.0% 100.0%

100.0%

15.8%

-106.0%

-5.1%

-6.7%

-17.6%

11.0% 11.8%

-40.2% -30.4% 0.3% 100.0%

-18.7%

-9.9%

100.0%

-4.7%

%9.07

-100.0% -100.0% -86.5%

13.4%

Association Summary by Branch For the Four Months Ending April 30, 2018

		,																				
	% Variance	valialica		154.1%	-26.5%	421.5%	-23.3%	18.4%	0.3%	50.1%	21.3%	0.0%	-1.5%	-133.7%	-19.8%	-100.0%	77.3%	-100.0%	-2.2%	-429.6%	15.7%	14 E0/
9	Variance	2012		29.154	22,374	(133,879)	(14,104)	4,502	291	93,571	25,995	ı	(33,143)	192,514	2,338	1,541	(99,207)	(43,618)	1,285	13,078	(182,149)	(119 457)
Year-to-Date	Budaet			18,923	(84,481)	(31,764)	60,572	24,403	96,110	186,727	122,181	0	2,149,015	(143,978)	(11,823)	(1,541)	(128,358)	0	(52,699)	(3,044)	(1,158,184)	1.037.059
	Actual			48,077	(62,107)	(165,643)	46,468	28,905	96,401	280,298	148,176	0	2,115,872	48,536	(9,485)	0	(227,565)	(43,618)	(56,414)	10,034	(1,340,333)	917,602
			Net Outcome by Branch	Fullerton Family	Santa Ana Family	Huntington Beach Family	Yorba Linda/Placentia Family	Newport Mesa Family	YMCA Community Services	Laguna Niguel Family	Mission Viejo Family	Capistrano Beach Family	Childcare	Camp E.L.K.	San Gabriel Valley	YMCA of Riverside County	Murrieta Family	Pomona Valley	Maple Hill Family	Corporate Initiatives	Association Office	Total Net Outcome

911.9%

(149,273)

11,916 (16,370) 41,878 78,893

-59.4%

(70,440) (74,023)

118,517

% Variance

Prior YTD

Prior YTD

YTD Comparison

Curr YTD vs

-621.2%

11.0%

4,590

-63.4% -33.3%

(48,039)

144,440 73,771 179,316

(49,988)

-17.4%

(31,140) (10,715)

10,715

1,986,380 (120,518)

0.0%

280.0%

206,527

-100.0%

5,067

(5,067)

(190,114)

1,913

-140.3% -595.8%

169,054

(11,398)

129,492

19.7%

(37,451)

-100.0%

(43,618) (56,414)

-100.0%

-49.7%

(9,916)

19,950

73,160

2,408,780

-1932.1% -**61.9**%

(1,413,493)

(1,491,178)

10
\$
rows
-
ne
0
utc
\sim
0
e.
2
જ
Φ
7
é
ē
C
Ġ
ffic
9
0
õ
ijŧ
3,5
õ
SS
X
Φ
th
u.
0
Š
90
a
S
ipei
g
7
ŭ
a
ņ
2
0
he
1 t
Ė
į.
nt
q
0
te
ge
Ď
pq
<u></u>
20
S
7
ō
atio
ñ
a
>
nt
(D)
ţ
es
>
IJ
e:
4
N _O

Prior YTD	412,286
Current YTD	(72,113)
	nvestment Valuation - Gain / (Loss)

YMCA of Orange County Statement of Financial Position 4/30/2018

	4/30/2018	12/31/2017
		ASSETS
Current Assets		
Cash and cash equivalents	\$1,927,797	\$2,053,392
Investments	11,788,583	11,838,504
Accounts Receivable - Net Allowance	765,690	738,632
Annual Pledges Receivable - Net Allowance	110,800	25,392
Deposits and Prepaid Rent	79,430	173,666
Prepaid Insurance	101,986	106,150
Other Prepaid Expenses	440,914	289,156
Total Current Assets	15,215,200	15,224,892
Other Assets		
Property, Plant and Equipment, Net	17,642,831	17,723,196
Total Other Assets	17,642,831	17,723,196
Total Assets	\$32,858,031	\$32,948,088
-		
	LIABILITIE	S AND NET ASSETS
Current Liabilities		
Accounts Payable	\$730,561	\$661,653
Accrued Payroll and Employee Benefits	1,728,258	1,725,220
Program Fees Received In Advance - Other	1,590,853	1,272,028
Total Current Liabilities	4,049,672	3,658,901
Long-term Liabilities		
Self-Insurance Liability and Other Reserves	129,464	410,442
Notes Payable	4,656,856	4,759,121
Total Long-Term Liabilities	4,786,320	5,169,563
Total Liabilities	8,835,992	8,828,464
Net Assets		
Current Operations - YMCA	917,603	1,285,381
Current Operations - Tipper, LLC	(65,209)	(1,389)
Current Operations (Restricted, Capital &		
Endowment) Unrestricted/Temporarily/Permanently	(950,007)	707,831
Restricted	24,119,652	22,127,801
Total Net Assets	24,022,039	24,119,624
Total Liabilities And Net Assets	\$32 9E9 024	\$22 QAQ 000
= Total Elabilities Alid Net Assets	\$32,858,031	<u>\$32,948,088</u>

YMCA of Orange County Investment Activity For the Four Months Ending April 30, 2018

	 TD Actual
Beginning Balance	\$ 11,838,504
Interest	15,415
Dividends	67,874
Investment Valuation Change	(72,113)
Short Term Gain (Loss)	(12,247)
Long Term Gain (Loss)	(24,669)
Less: Investment Fees	 (24,180)
Net Investment Income/(Loss)	(49,920)
Ending Balance	\$ 11,788,583
YTD Growth/(Decline) %	-0.42%

Tipper, LLC

Profit & Loss Statement For the Four Months Ending April 30, 2018

	YTD						
	Actual	% Rev					
Revenue							
1210 Facility Rental	\$121,113.09	100.00%					
Net Revenue Totals	121,113.09	100.00%					
Expense							
2610 Telephone-Regular Service	1,046.82	0.86%					
2710 Postage	33.00	0.03%					
2845 Facility Maintenance	17,616.74	14.55%					
2410 Legal Fees	1,280.00	1.06%					
2450 Consulting Fees	567.75	0.47%					
2480 DP Service/Maint Contrct	300.00	0.25%					
2831 Electricity	10,876.02	8.98%					
2832 Gas	1,237.35	1.02%					
2833 Water and Sewer	885.08	0.73%					
2834 Refuse Collection	729.63	0.60%					
2843 Landscape Maint	4,568.84	3.77%					
2848 DNU Exterminator Service	110.00	0.09%					
2850 Real And Personal Taxes	27,849.64	22.99%					
2860 Property Management	3,804.26	3.14%					
2880 Property/Liability Insurance	6,433.00	5.31%					
3620 Bank Fees	45.00	0.04%					
4810 Association Services	3,200.00	2.64%					
Total Operating Expenses	80,583.13	66.54%					
EBITDA	\$40,529.96	33.46%					
2890 Depreciation Expense	63,309.58	52.27%					
5215 Interest Expense-External	40,829.57	33.71%					
5610 Income Taxes Fed & State	1,600.00	1.32%					
Net Income/(Loss)	(\$65,209.19)	(53.84%)					



CARES Committee

April 2018

CARES COMMITTEE MEETING MINUTES April 3, 2018 11:30 a.m.

Attendance: Mike Proud, Jeff McBride, John McCarty, Julia Stannard, Lisa Alonso,

Sarah Steffen, Michael Hahn, Dolores Daly, JoAnn DeLaHousaye

Absent: Julia Stannard, Jay Scott

The meeting was called to order at 11:48 a.m. Mike Proud gave the Invocation

TASK LIST	WHO	DATE DUE	DATE DONE
			DATE DONE
Introduce Sarah to key church leaders.	Michael	ASAP	
	Н.		
Make sure CARES program applications are filled out correctly.	Sarah	On-Going	
Review minutes regarding what we originally promised Camp	JoAnn	Next	
Agape.		Meeting	
	Dolores,	Before	
Call Camp Agape.	Sarah,	next	
	Jeff &	meeting	
	Mike P		
Work with Marketing on communicating CARES process &	Sarah	ASAP	
getting events on a master calendar.			
Talk with John Rochford about mirroring PDF with CARES.	Sarah	ASAP	
Meet with Huntington & Newport Beach Branch.	Michael	ASAP	
•	& Julia		

DECISIONS

Minutes of the December meeting were reviewed and approved. (M - Michael H.; S - Lisa A.; all were in favor)

Going forward, CARES will meet quarterly rather than once per month.

Matt Svajda from Fiducia Community voted on as new CARES Committee member (M – Michael H.; S – Lisa A.; all were in favor)

BUSINESS

Sarah had a meeting with Mike Proud and Jeff to discuss making the CARES Committee more like the Program Development Fund. The PDF is similar to CARES except that it is not Christian based. Jeff would like Sarah to move this plan forward as she has the leadership and experience with the PDF. Dolores stated that the CARES Committee should act as the guide to make sure those who are asking for funding meet the CARES standards, and what we want CARES to accomplish. Lisa said that from a perception point, managing the CARES Committee and the PDF process the same way is best. Getting more partnerships for CARES was discussed. Michael Hahn said that he would like to introduce Sarah to some key church leaders to discuss potential partnerships. Jeff stated that we should let the staff come to us and ask for funding, etc. for CARES projects. Lisa agreed and stated that committees and boards can get too involved in the weeds with these types of projects which can mess up the process. Michael Hahn agreed and stated that we as a committee should be overseers and not get caught up in the weeds. Jeff said that we as an organization have been shifting from control to a more collaborative culture. Jeff stated that the committee needs the freedom to say no to projects that we don't feel fit with the CARES mission. Michael Hahn asked what the next steps are in making the CARES Committee process more like the Program Development Fund. Jeff said that the process has already been established in the PDF.

CARES COMMITTEE MEETING MINUTES April 3, 2018 11:30 a.m.

He said that we should meet to see the presentations, and decide if we're going to support certain projects. It was discussed and agreed upon that the CARES Committee will start meeting quarterly rather than once a month. Sarah will work behind the scenes making sure the applications are filled out correctly. Sarah is also the face of the CARES Committee and the Program Development Fund. Jeff suggested that we look at – 5 presentations each quarter. Lisa stated that from an employee culture stand point, it's really important let the staff run with this, especially if we want to change the culture from control to collaboration. CARES becomes the vetting and implementation committee. Mike Proud interjected that ultimately this strategy is going to work its way through our branches. He suggested using Jimmy and Alison to help us identify other branches that want to start a CARES program. Sarah suggested that we need an amendment to the program option on the application so that everything doesn't need to go before the committee for approval again when it's just an amendment to a program that has already been approved. It was discussed that an enhancement to a program that has already been approved by the committee could be approved by Dolores only. Lisa thinks this is a good structure to move forward with.

Open applications were discussed. Currently, there are three open applications: Mentor Up; Camp Agape & Mission Hills Church. Mike P. said that for Camp Agape, we need to look back at past minutes to verify what we agreed to do for them. Jeff said that we should vet Camp Agape again – that we need to start fresh. Dolores suggested that she, Sarah and Jeff have a call with Camp Agape before the next CARES meeting. Jeff said that he wants Mike P. to be on that phone call too. Moving forward, applications need to be in at least two weeks ahead of the next committee meeting. Sarah will revise the application, deadlines, and meeting dates. Sarah will work with Marketing about how we communicate how we're going to operate CARES going forward. Sarah will talk with John Rochford about mirroring PDF with CARES.

Updates on Newport and Huntington Beach: Michael H. will coordinate with Julia S. to have a meeting with Jimmy and Allison. Dolores said that Newport and Huntington Beach have both secured two Chaplains. There is also a Chaplain handbook that Jay, Lisa and our HR department gave input for. The Chaplains will get a free membership to the Y. There will be a welcome barbeque next month to welcome the new Chaplains. Sarah is going to work with Marketing to get all of these types of events onto a master calendar. Matt Svajda from Fudicia Community has been the person on the ground helping Alison and Jimmy. Part of the CARES funding covers Matt's fees. Sarah talked about possibly putting CARES as part of the budget for Newport Beach & Huntington Beach. Mike P. asked if Matt should be a part of the CARES Committee so that he can better understand our mission. Lisa said she feels that would make sense. Everyone agreed that this is a good idea and voted for Matt to be on the CARES Committee.

Adjourned at 1:09



Action

Item

Approval of: 2017 Audit SAS 114 & 115 CUSD AUP

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY TABLE OF CONTENTS DECEMBER 31, 2017 AND 2016

Page

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017 AND 2016

WITH INDEPENDENT AUDITORS' REPORT

Independent Auditors' Report
Financial Statements:
Statements of Financial Position3
Statement of Activities - Year Ended December 31, 2017
Statement of Activities - Year Ended December 31, 2016
Statement of Functional Expenses - Year Ended December 31, 2017
Statement of Functional Expenses - Year Ended December 31, 2016
Statements of Cash Flows10
Notes to Financial Statements12
Consolidating Information:
Schedule I - Consolidating Statement of Financial Position32
Schedule II - Consolidating Statement of Activities and Changes in Member's Equity33



INDEPENDENT AUDITORS' REPORT

Board of Directors

Young Men's Christian Association of Orange County and Subsidiary Fustin, California We have audited the accompanying consolidated financial statements of the Young Men's Christian Association of Orange County and subsidiary (collectively, the "Organization"), which comprise the consolidated statement of financial position as of December 31, 2017, and the related consolidated statement of activities, functional expense, and cash flows for the year then ended, and the related notes to the consolidated financial statements. We have also audited the accompanying financial statements of the Young Men's Christian Association of Orange County, which comprise the statement of financial position as of December 31, 2016, and the related statement of activities, functional expense, and cash flow for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors' consider internal control relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

2875 Michelle Drive, Suite 300, Irvine, CA 92606 • Tel: 714.978.1300 • Fax: 714.978.7893

Offices located in Orange and San Diego Countie

Opinion

In our opinion, the 2017 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2017, and the changes in its net assets and its eash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Also, in our opinion, the 2016 financial statements present fairly, in all material respects, the financial position of the Young Men's Christian Association of Orange County as of December 31, 2016, and the changes in its net assets and its eash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Consolidating Information

Our audit was conducted for the purposes of forming an opinion on the financial statements as a whole. The consolidating information in Schedules I and II is presented for purposes of additional analysis, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the consolidated financial statements. The consolidated financial statements and certain additional procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

White Newson Miche Grand Ll

Irvine, California May 17, 2018 7

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2017 AND 2016

ASSETS

2016	\$ 4,400,288 9,048,789	857,456 29,629 697,960 149,863	15,183,985	326,452 12,230,541	81,459	\$ 27,822,437		\$ 604,151	464,162	345,138 250,000	240,680 65,551	3,324,585	750,000 36,602 1,593,453	2,380,055	5,704,640	1		21,717,126 310,671 90,000	22,117,797	\$ 27,822,437
2017 Consolidated	\$ 2,400,922 11,482,364	738,633 25,392 497,227	15,144,538	184,980 17,501,317	60,200	\$ 32,891,035		\$ 584,594	522,028	488,571 250,000	86,499	3,731,575	40.160 500.000 76.252 4,432.035	5,048,447	8,780,022			23,020,015 970,998 90,000	24,111,013	\$ 32,891,035
	Current Assets: Cash and cash equivalents (Note 3) Investments (Notes 4 and 8) Receivables:	Accounts receivable, net (Note 5) Pledges receivable, net Prepaid expenses and other current assets Land held for resale	Total Current Assets	Property Held under Capital Leases, Net Property and Equipment, Net (Note 6)	Other Assets: Deposits	Total Assets	LIABILITIES AND NET ASSETS	Current Liabilities: Accounts payable Accrued payroll and employee benefits	Program feetived in advance	Deferred Santa Ana project funding, current portion (Note 6)	Current maturities of obligations held under capital leases (Note 12a) Notes payable, current portion (Note 9)	Total Current Liabilities	Long-Term Liabilities: Deposits payable Deferred Santa Ana project funding, less current portion (Note 6) Long-term portion of obligations held under capital leases (Note 12a) Notes payable, less current portion (Note 9)	Total Long-Term Liabilities	Total Liabilities	Commitments and Contingencies (Note 12)	Net Assets (Note 11): Timestricited not account	oursuiteeu uite assets Temporarily restricted Permanently restricted	Total Net Assets	Total Liabilities and Net Assets

The accompanying notes are an integral part of these financial statements. $\label{eq:company} 3$

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY CONSOLIDATED STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2017

Permanently Restricted	· '	10				9	f 1	٠			•			1007					ж т	•						,		•		000'06	\$ 90,000
Temporarily Restricted	\$ 776,095	776,095			r	a 10	E 1	1	n •	4		318	(115,768)	660,327		,	10	į	300 1	٠						660,327	1.2.1		660.327	310,671	\$ 970,998
Unrestricted	\$ 365,307 143,057	508,364	10 643 120	7,910,829	2,962,377	7.817.257	944,898	1,281,156	1.192,246	38,662,912	733,000	195,204	115,768	40,264,450		15 819 132	12,483,175	1,963,594	694.866 3,077.438	34,038,205	6,485,150	C00.C0+	0,009,013	123,090	41,050,308	(785.858)	1,394,630 803.885 (79.768)	2.118.747	1,332,889	21,717,126	\$ 23,050,015
Total	\$ 1,141,402 143,057	1.284,459	19 643 120	7,910,829	2,962,377	1,817,257	944,898	1,281,156	1,192,246	38,662,912	733,000	195,204	49,202	40,924,777		15.819.132	12,483,175	1,963,594	3,077,438	34,038,205	6,485,150	200,000	0,009,013	123,090	41,050,308	(125,531)	1,394,630 803,885 (79,768)	2.118.747	1,993.216	22,117.797	\$ 24,111,013
Operations Support, Revenue, and Gains:	Fundraising Support: Contributions Special events, net of direct costs	Total Fundraising Support	Program Revenue: Childene fees	Membership fees	Health and fitness fees	Adventure guides Iees Government assistance	Donated use of facilities/land	Camp fees	Community programs fees Facility fees	Total Program Revenue	Contribution from Pomona Valley YMCA	Other Income Rental Income	Net Assets Released from Restrictions	Total Support, Revenue, and Gains	Operating Expenses:	rrogram Services: Childeare	Health and fitness	Adventure guides activities	Camping Other community services	Total Program Services	Supporting Services: Administration and general Fundrascine	Total Symmontine Sommines	control on portrol	Hpper, LLC	Total Operating Expenses	Operating Margin	Nonoperating Investment theone, Net (Note 4) Gain on Sale of Property Held for Resale Loss on Disposal of Capital Assets	Total Nonoperating	Increase in Net Assets	Net Assets, Beginning of Year	Net Assets, End of Year

The accompanying notes are an integral part of these financial statements. 4

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY YEAR ENDED DECEMBER 31, 2016 STATEMENT OF ACTIVITIES

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED DECEMBER 31, 2017

217,593 325,460 411,384 3,975,140 299,931 1,681,089

11,402 10,967 52,221

1,558

686

3,740 3.022,589

6.713

Occupancy

nsurance Postage

159,104 83,101

130,331

5.584.923

\$ 8,971,136

Salaries and wages Employee benefits Payroll taxes Professional fees

Childcare

2,982

15,045

96,240 1,376,035 133,879 142,878 20,103

165.053

4,513

5,911

309,152

Printing and promotion

Fundraising campaign

16,750,343

Subtotal

Other

Program Services

Adventure Guides

Health and

4,155,862 288,106

221,089

10,303

600,352 402,908

84,424 48,864 26,461

5,059 5,932 2,139

5.058

134,921 106

Recruitment and relocation

Fair share

Bad debt expense

Credit card and bank fees

Vehicle expense Program costs conferences

38.827

66,975 354,137 121 205,084

1,450,244 198,483 308,215

107,796

Employee and travel expense Meetings, training, and

525

34,038,205

694,866

1,963,594

\$ 12,483,175

\$ 15,819,132

Fotal Functional Expenses

Miscellaneous expense

467.292 33.393 72.521

642

838,886

90,000 90,000 310,671 69,550 69,550 69,550 241,121 Temporarily Restricted 187,194 (117,644) 187,194 10,898 (14,361) 11,590,979 498,432 6,185,489 470,472 7,585,631 2,697,442 1,756,809 1,885,620 944,898 1,291,790 1,281,921 338,551 223,240 467,009 20,063,250 \$ 21,717,126 1,100,389 1,237,782 117,644 5,687,057 36,924,041 1,186,867 1,653,876 36,401,245 38,110,908 13,264,535 985.728 Unrestricted 10,898 (14,361) 13,264,535 11,590,979 1,676,343 985,728 498,432 7,585,631 2,697,442 1,756,809 1,885,620 944,898 1,291,790 1,281,921 338,551 223.240 130.997 6,185,489 36,924,041 1,256,417 1,287,583 30.738,552 5,687,057 470,472 467,009 1,723,426 \$ 22,117,797 38,180,458 20,394,371 1,424,976 36,401,245 Total Contribution from San Gabriel Valley YMCA Total Support, Revenue, and Gains Investment Income, Net (Note 4) Increase in Fair Value of Interest Rate Swap Loss on Disposal of Capital Assets Other Income Net Assets Released from Restrictions Special events, net of direct costs Total Fundraising Support Total Supporting Services Total Operating Expenses Donated use of facilities/land Total Program Revenue Health and fitness Adventure guides activities Total Program Services Administration and general Camp fees Community programs fees Camping Other community services Membership fees Health and filness fees Adventure guides fees Operations
Support, Revenue, and Gains:
Fundraising Support: Total Nonoperating Net Assets, Beginning of Year Government assistance Increase in Net Assets Net Assets, End of Year Supporting Services: Operating Expenses: Program Services: Program Revenue: Childcare fees Operating Margin Facility fees Fundraising

The accompanying notes are an integral part of these financial statements.

The accompanying notes are an integral part of these financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED)
YEAR ENDED DECEMBER 31, 2017

Total		\$ 19,650,224	2,199,412	1,579,634	2,004,259	357,439	488,555	28,608	4,260,839	455,116	1,843,347	1,039,135	499,398	106,740	83,060	•	413,575	4,185,445	305,147	750,538	413,409	191,562	85,428	105,635	3,803	\$ 41 050 308
Tipper, LLC		69	9	•	981.6	104	1,419	3	47,479	£	30,336	•	•	•	•		•	•	•	30	•	•	•	30,733	3,803	\$ 123,090
Subtotal			389,164	200,775	1,777,480	31,875	75,752	14,997	238,220	155,185	131,922	200.249	32.106	73,347	10,539	£	192,486	29,583	17,041	150,156	10,501	191,329	3,766	62,659		\$ 6889013
Fundraising			27.688	13,790	14,058	929	3,673	4,295	178		30	236	26,872	73,347	1,098		25,846	29,583	•	1,200	10,501	*	3,766	•		\$ 403.863
Administrative and General			361,476	186,985	1,763,422	31,199	72,079	10,702	238,042	155,185	131,922	200,013	5,234		9,441		166,640	,	17,041	148,956		191,329	90	62.659		\$ 6.485.150
		Salaries and wages	Employee benefits	Payroll taxes	Professional fees	Supplies	Telephone	Postage	Occupancy	Insurance	Depreciation	Equipment	Printing and promotion	Fundraising campaign	Employee and travel expense	Meetings, training, and	conferences	Program costs	Vehicle expense	Credit card and bank fees	Fair share	Recruitment and relocation	Bad debt expense	Interest	Miscellaneous expense	Total Functional Expenses
	Fundraising Subtotal Tipper, LLC	Administrative and General Fundraising Subtotal Tipper, LLC	Administrative and General Fundraising Subtotal Tipper, LLC S 2,899,881 \$ - \$ 1	Administrative and General Fundraising Subtotal Tipper, LLC **Reservation** **Substitution** **Subs	Administrative and General Fundraising Subtotal Tipper, LLC \$ 2,732,825 \$ 167,056 \$ 2,899,881 \$. \$ 1 \$ 361,476 \$ 27,688 \$ 389,164 . \$ 186,985 \$ 13,790 \$ 200,775 .	Administrative and General Fundraising Subtotal Tipper, LLC and General Fundraising Subtotal Tipper, LLC sees 1.732.825 \$ 167.056 \$ 2.899.881 \$ - \$ 15 19 19 186.985 13.790 200.775 136.985 13.790 200.775 177.480 9.186	Administrative and General Fundraising Subtotal Tipper, LLC Tipper	Administrative and General Fundraising Subtoral Tipper, LLC and General Fundraising Subtoral Tipper, LLC and General Subtoral Sub	Administrative and General Fundraising Subtotal Tipper, LLC and General Endraising Subtotal Tipper, LLC 5.732.825 \$ 167.056 \$ 2.899.881 \$. \$ 19.6 \$ 19.6 \$ 15.708 \$ 15.709 \$ 10.774.80 \$ 11.763.422 \$ 14.058 \$ 1.777.480 \$ 11.763.422 \$ 11.763.422 \$ 14.058 \$ 1.777.480 \$ 11.763.422 \$ 11.763.422 \$ 14.058 \$ 11.774.80 \$ 11.7	Administrative and General Fundraising Subtotal Tipper, LLC and General Fundraising Subtotal Tipper, LLC 513.2825 \$ 167.056 \$ 2.899.881 \$ - \$ 15 15 15 15 15 15 15 15 15 15 15 15 15	Administrative and General and	Administrative and General Fundraising Subtotal Tipper, LLC and General Fundraising Subtotal Tipper, LLC Subotal Subtotal Subtotal Subotal Sub	Administrative and General Fundraising Subtotal Tipper, LLC T Tipper, LL	Administrative Administrative and Central Fundraising Subtotal Tipper, LLC Transfers S 2,8289,881 S - \$196,728,822 S 167,056 S 2,899,881 S - \$196,728,728 S 157,090 S 00,775 S 196,728 S 137,090 S 1,774,880 S 186,925 S 137,990 S 1,774,880 S 1,874,724 S 1,774,734 S 1,774,7	Administrative and General Fundraising Subtotal Tipper, LLC To and General Fundraising Subtotal Tipper, LLC Subotal Subtotal Substitution Substituti	Administrative and General Fundraising Subtotal Tipper, LLC	Administrative and General Fundraising Subfotal Tipper, LLC T T S 2,732,825 \$ 167.056 \$ 2.899,881 \$. \$ \$ 19.6 \$ 15.096,985 \$ 1.5.09 \$ 13.09 \$ 11.70 \$ 1.70 \$ 1.70 \$ 1.70 \$ 1.70 \$ 1.877 \$ 1.410 \$ 10.702 \$ 1.205 \$ 1.410 \$ 10.702 \$ 1.205 \$ 1.410 \$ 1.51.85 \$ 1	Administrative Administrative \$ 2,722,825 \$ 167,056 \$ 2,899,881 \$. \$ 196,81 361,476 \$ 27,890,881 \$. \$ 196,81 186,982 \$ 13,790 \$ 200,775 1,763,422 \$ 14,038 \$ 1,777,480 \$ 9,186 1,777,480 \$ 1,777,480 \$ 1,04 72,079 \$ 6,73 \$ 1,875 10,702 \$ 4,295 \$ 14,997 155,185 \$ 185,185 151,922 \$ 131,922 \$ 30,336 151,922 \$ 2,21,06 5,24 \$ 2,842 \$ 77,3347 9,441 \$ 1,098 \$ 192,486 166,640 \$ 25,846 \$ 192,486	Administrative and General Eundraising Subtotal Tipper, LLC \$ 2,722.825 \$ 167.056 \$ 2.899,881 \$ \$ 19,6	Administrative and General Fundraising Subtotal Tipper, LLC 7 \$ 2,732,825 \$ 167,056 \$ 2,899,881 \$. \$ \$ 196, 156,425 \$ 157,088 \$ 389,164	Administrative Administrative \$ 2,723,825 \$ 167,056 \$ 2,899,881 \$. \$ 19, 36,476 \$ 27,790 \$ 2,899,881 \$. \$ 19, 16,476 \$ 2,75,88 \$ 389,164	Administrative Administrative Eurodesising Subtotal Tipper, LLC S 2,899,881 S 5,213,825 S 157,056 S 2,899,881 S 5,219,544 S 186,948 S 186,145 S 13,799 S 1777,480 S 13,1799 S 1777,480 S 13,1709 S 1777,480 S 11,1709 S	Administrative and General Fundraising Subtotal Tipper, LLC	Administrative addininistrative addininistrative Administrative Subtotal Tipper, LLC To \$ 2722.825 \$ 167.056 \$ 2.899,881 \$. \$ 196 \$ 196	Administrative and General Fundraising Subtotal Tipper, LLC To. \$ 2772.825 \$ 167.056 \$ 2.899.881 \$. \$ 19.6 \$ 361.476 \$ 277.825 \$ 157.06 \$ 19.6 \$ 16.702 \$ 14.058 \$ 389.164 \$ 1.5 \$ 1.763.422 \$ 14.058 \$ 389.164 \$ 1.5 \$ 1.763.422 \$ 14.058 \$ 1.777.480 9.186 2.0 \$ 1.199 \$ 675 \$ 31.875 \$ 104 3.6 \$ 1.199 \$ 676 \$ 31.875 \$ 104 3.6 \$ 1.199 \$ 676 \$ 31.875 \$ 104 3.6 \$ 15.182 \$ 17.77.480 9.186 2.0 \$ 15.182 \$ 15.822 47.49 4.74 \$ 15.864 \$ 15.822 47.49 4.74 \$ 15.192 \$ 2.000.249 \$ 1.85 1.16 \$ 24 \$ 2.000.249 \$ 1.85 1.16 \$ 24 \$ 2.000.249 \$ 1.85 1.16 \$ 24 \$ 2.000 \$ 2.000 1.000 <	Administrative and General Fundraising Subtotal Tipper, LLC Total and General \$ 2,732,825 \$ 167,056 \$ 2,899,881 \$ \$ 19,65 \$ 36,476 \$ 2,899,881 \$ \$ 19,65 \$ 1,763,422 \$ 14,058 \$ 13,790 \$ \$ 1,707 \$ 3,802 \$ 0,186 \$ 2,00 \$ 10,702 \$ 4,295 \$ 1,777,480 \$ 9,186 \$ 2,00 \$ 10,702 \$ 4,295 \$ 14,997 \$ 4,29 \$ 14,997 \$ 4,29 \$ 131,922 \$ 13,922 \$ 14,997 \$ 4,29 \$ 14,997 \$ 4,29 \$ 131,922 \$ 13,922 \$ 14,997 \$ 4,29 \$ 1,251,85 \$ 4,29 \$ 131,922 \$ 2,687 \$ 2,00,249 \$ 1,33 \$ 4,29 \$ 1,33 \$ 4,18 \$ 5,441 \$ 1,098 \$ 10,539 \$ 2,534 \$ 2,534 \$ 2,534 \$ 4,18 \$ 6,400 \$ 2,5846 \$ 10,530 \$ 2,583 \$ 4,18 \$ 3,133 \$ 4,18 \$ 10,401 \$ 3,686 \$ 3,048 <

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY STATEMENT OF FUNCTIONAL EXPENSES
VEAR ENDED DECEMBER 31, 2016

			Program Services	Services		
			Adventure		Other	
		Health and	Guides		Community	
	Childcare	Fitness	Activities	Camping	Services	Subtotal
Salaries and wages	\$ 7,632,670	\$ 4.971,820	\$ 158.788	\$ 332,401	\$ 1,856,213	\$ 14.951.892
Employee benefits	1,117,559	441,440	21,089	18.757	180.451	1 779 296
Payroll taxes	620,087	409,502	13.275	26,687	153,349	1.222.900
Professional fees	27,716	3	1	59,792	7,115	94,623
Supplies	114,788	138,651	817	16,784	9,773	280,813
Telephone	239,433	45,385	5,471	16,880	48.011	355,180
Postage	4,542	1,205	276	9,627	180	15.830
Occupancy	799,433	3,028,376	53,595	163,036	66,639	4,111,079
Insurance	73,219	179,854	6.977	846	10.853	271,749
Depreciation	217,348	1,266,783	165	44,541	9,743	1.538,580
Equipment	128,431	146,091	165	81,008	10,823	366,518
Printing and promotion	341,101	130,265	•	1,948	3,881	477.195
Fundraising campaign		•			•	
Employee and travel expense	29,507	14,169	3,262	10,750	11,685	69.373
Meetings, training, and						
conferences	72,561	57,904	10,055	16.572	12,152	169,244
Program costs	1,127,078	354,911	1,362,067	154,126	659,222	3,657,404
Vehicle expense	165,089	•	ř	19,290	72.181	256,560
Credit card and bank fees	279,820	195,500	34,515	4,970	7.667	522,472
Fair share	215,138	123,686	5,357	2,455	23.104	369,740
Recruitment and relocation	35,415	11,130	68	5,258	20,449	72,341
Bad debt expense	23,600	55,903	380	·	57.476	137,359
Interest		18,404	•			18,404
Total Functional Expenses	\$ 13,264,535	\$ 11,590,979	\$ 1,676,343	\$ 985.728	\$ 3,220,967	\$ 30,738,552

The accompanying notes are an integral part of these financial statements. $\label{eq:statements} 8$

The accompanying notes are an integral part of these financial statements. 7

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED) YEAR ENDED DECEMBER 31, 2016

1		1	02	54	19	. 67	21	80	42	54	.55	70	75	49	.28	95		88	86	94	1.00	35	31	.59	769	4
		Total	\$ 17,614,202	2,188,854	1,413,819	1,558,967	307,321	427,908	31,342	4.394,954	379,655	1.648,970	461.875	508,649	96.858	88.495		372,688	3.821.898	278,394	616,870	381,335	111,931	137,359	81,697	\$ 36.924.041
Supporting Services		Subtotal	\$ 2,662,310	409,558	190,919	1.464,344	26,508	72,728	15,512	283.875	107,906	110.390	95,357	31,454	96,858	19,122		203,444	164,494	21,834	94,398	11,595	39,590	8	63.293	\$ 6,185,489
Support		Fundraising	\$ 235,718	33,670	19,127	454	2,901	2,859	3,264	,		14.	16,333	27,479	96,858	2,095		37,390	6,581	ı	2,108	11,595	i	i		\$ 498,432
	Administrative	and General	\$ 2,426,592	375,888	171.792	1,463,890	23,607	698'69	12,248	283.875	107,906	110,390	79,024	3,975	•	17.027		166,054	157.913	21,834	92.290	3	39.590		63,293	\$ 5.687.057
			Salaries and wages	Employee benefits	Payroll taxes	Professional fees	Supplies	Telephone	Postage	Occupancy	Insurance	Depreciation	Equipment	Printing and promotion	Fundraising campaign	Employee and travel expense	Meetings, training, and	conferences	Program costs	Vehicle expense	Credit card and bank fees	Fair share	Recruitment and relocation	Bad debt expense	Interest	Total Functional Expenses

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY STATEMENTS OF CASH FLOWS YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017 Consolidated	2016
Cash Flows from Operating Activities: Increase in Net Assets	\$ 1,993,216	\$ 1,723,426
Noncash Reconciling Items: Depreciation Amortization of deferred financing costs Realized and unrealized gain on investments Loss on disposal of property and equipment Gain on sale of property held for resale Increase on fair value of interest rate swap Deferred Santa Ana project funding Allowance for doubtful accounts	1,843,347 196 (1,227,643) 79,768 (803,885) (250,000) 13,689	1,648,970 (327,439) 14,361 (10,898) (250,000)
Changes in: Accounts receivable Pledges receivable Prepaid expenses and other current assets Deposits Accounts payable Accruted payroll and employee benefits Deposits payable Accruted expenses Accuted expenses	108 900 471 200,733 21,259 (19,557) 222,190 40,160 57,866 143,433	203,332 (19,454) 42,113 - (113,742) 140,554 (3,044) (47,388) 60,297
Net Cash and Cash Equivalents Provided by Operating Activities	2,494,143	3,061,088
Cash Flows from Investing Activities: Purchases of property and equipment Proceeds from sale of property and equipment Proceeds from sale of land held for resale Sales of investments Purchases of investments	(2,223,805) 13,500 953,748 1,760,251 (2,966,183)	(1,136,076) 30,648 1,854,811 (2,133,235)
Net Cash and Cash Equivalents Used in Investing Activities	(2,462,489)	(1,383,852)
Cash Flows from Financing Activities: Principal payments on capital leases Principal payments on notes payable Cash paid for deferred financing costs	(276,645) (1,742,634) (11,741)	(258,701) (113,053)
Net Cash and Cash Equivalents Used in Financing Activities	(2,031,020)	(371,754)
Net Increase (Decrease) in Cash and Cash Equivalents	(1,999,366)	1,305,482
Cash and Cash Equivalents, Beginning of Year	4,400,288	3,094,806
Cash and Cash Equivalents. End of Year	\$ 2,400,922	\$ 4,400,288

The accompanying notes are an integral part of the financial statements. $10 \,$

The accompanying notes are an integral part of these financial statements. $\label{eq:particle} 9$

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY STATEMENTS OF CASH FLOWS (CONTINUED) YEARS ENDED DECEMBER 31, 2017 AND 2016

2017	Consolidated 2016		\$ 105,635 \$ 81,697		\$ 162,114 \$ -	\$ 4,680,000 \$
		Supplemental Disclosure:	Interest paid =	Noncash Investing and Financing Activities for the Years Ended December 31, 2017 and 2016:	Equipment acquired through capital lease	Property acquired through debt financing

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 1: Organization and Nature of Services

Organization

The Young Men's Christian Association of Orange County (the "YMCA" or "Y") is a charitable organization that puts Christian principles into practice through programs that build spirit, mind, and body for all. The Y has been active in Orange County since 1922. At the Y, strengthening community is our cause! With a focus on youth development, healthy living and social responsibility, the Y serves Orange County, along with Riverside County, San Gabriel Valley, and Pomona Valley through eight (8) Health & Wellness locations (Laguna Niguel, Newport Beach, Mission Viejo, Fullerton. Huntington Beach, Murrieta, Diamond Bar and Santa Ana). With an additional 150 afterschool programs, summer camps, sports & swim programs, Adventure Guides parent/child groups, and programs for youth and adults with special needs, YMCAOC is committed to serving our growing and diverse community needs.

Tipper, LLC ("Tipper") is a wholly owned subsidiary of the YMCA operated exclusively to further the charitable purposes of the Y. The activities of the limited liability company shall be limited to acquiring and holding title to property, collecting income therefrom, and remitting the entire amount of net income from such property to the member, within the meaning of Section 23701b of the California Revenue and Taxation Code and in furtherance of the charitable purposes of the member.

The consolidated financial statements include the accounts of the YMCA and its wholly owned subsidiary, Tipper, which are collectively referred to as the "Organization." Interorganization transactions and balances have been eliminated in consolidation.

Nature of Services

The Y provides services for the following program areas:

 Childcare: YMCA before and after school care provides opportunities for your child to learn, grow, and thrive as they make their way from K-8th grade. We provide daily physical and educational activities like sports & recreation, homework support, arts, and technology that allow students to engage in the learning process and have fun with friends at the same time! With 50+ locations on school campuses throughout Orange County, the Y is a convenient and affordable choice for your family. The Y offers year-round, licensed child care including full-day summer camps and full-day care during school holidays.

12

The accompanying notes are an integral part of the financial statements.

Note 1: Organization and Nature of Services (Continued)

Nature of Services (Continued)

- Health and Fitness: The Y provides health and wellness programming to youth and adults to increase the positive impact on the health of children and families in Orange, Los Angeles and Riverside Counties through programs and partnerships that promote healthier decisions and provide opportunities to get involved, give back, and get connected. Being healthy means more than simply being physically active. It's about maintaining a balanced spirit mind and body. The Y is a place where everyone can work toward that balance by challenging themselves to learn a new skill or hobby, fostering connections with friends through lifelong learning programs, and bringing loved ones closer together through family-centered activities. At the Y, it's not about the activity as much as it is about the benefits of living healthier.
- Adventure Guides Activities: The Y provides Adventure Guides participants with a family-oriented program providing an opportunity for parents and children to spend quality one-on-one time together to help strengthen family relationships and create memories that will last a lifetime. The Y's core values of caring, honesty, respect, and responsibility provide direction as parent's guide children on their journey. These four values provide guidance in helping children select activities, make decisions, and choose appropriate courses of action both in the program and in their lives. Along the way, adults model, teach, and demonstrate these values, as well as give children many opportunities to practice and celebrate with them.
- Camping: Y camps have a rich tradition dating back to as early as 1909. The Y offers both residential and day camps that are designed to help children learn to appreciate and respect nature and each other. Through the Y's core values of caring, honesty, respect, and responsibility, character development is nurtured. Y camping programs are educational and experiential; they promote cognitive development, physical well-being, social growth, character development, leadership skills, and a respect for the environment. Through a variety of engaging activities and the use of natural surroundings, YMCA camping programs encourage participants to explore and develop their interests and abilities in a safe and nurturing environment.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 1: Organization and Nature of Services (Continued)

Nature of Services (Continued)

Organization provides unique styles of programming to impact the growing epidemic of Other Community Services: Y youth and teen programs give kids good role models to help targeted toward high-risk youth and at-risk populations. New Horizons is a program for adults with developmental disabilities and special needs ages 18 and up. The New Horizons program provides safe and supervised recreational outings in the community that offer social interaction, skill building, and life-long friendships. While participants are having fun, their full-time caregivers are provided with the "time-off" they need to better care for disturbance, as well as assist with self-care (diapering, feeding, etc.) if needed. The youth obesity through school-based fitness and nutrition programs. These services enhance good citizenship, and a strong work ethic. The Y provides a multitude of community service programs providing safe and structured activities within a variety of services challenges, epilepsy, autism, ADHD, emotional their loved ones. The YMCA Inclusion program can be utilized for all children with special needs and/or challenging behaviors. We provide services to children with developmental them develop self-esteem and good values, including cooperation, respect for the body, the lives of youth their families and provide enrichment to the community. and learning disabilities, sensory

Note 2: Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205, Presentation of Financial Statements, the Organization's resources are classified for accounting and reporting purposes into three net asset categories according to the existence or absence of donor-imposed restrictions. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes. Accordingly, the net assets of the Organization are classified and reported as follows:

Unrestricted Net Assets - Unrestricted net assets are net assets that are not subject to
donor-imposed stipulations and revenue generated from providing services and interest
on investments.

Note 2: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

- Temporarily Restricted Net Assets Temporarily restricted net assets are net assets subject to donor-imposed stipulations that can be fulfilled by the actions of the Organization pursuant to those stipulations or that expire by the passage of time. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as unrestricted.
- Permanently Restricted Net Assets Permanently restricted net assets are net assets that are restricted by donors who stipulate that resources are to be maintained permanently, but permit the Organization to expend all of the income (or other economic benefits) derived from the donated assets.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statements of financial position. Unrealized gains and losses are included in investment income in the Organization's accompanying statements of activities.

Accounts Receivable

The Organization's accounts receivable are primarily fees for services provided and rent that is due. Accounts receivable are periodically evaluated for collectability based on past credit history with customers and their current financial condition. The allowance for doubtful accounts is determined on the basis of loss experience, economic conditions in the industry, and the financial stability of customers.

Land Held for Resale

The Organization owned certain land in Huntington Beach that was originally purchased to build a facility for YMCA programs. Due to zoning restrictions, it became difficult to build the facility originally intended. The Organization sold the property on March 3, 2017, for \$1,009,660, resulting in a gain of \$803,885.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation if purchased or at the estimated fair value if donated. Maintenance and repairs are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 10 to 40 years for buildings and improvements, 3 to 10 years for furniture and equipment, and 3 to 7 years for vehicles.

15

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 2: Summary of Significant Accounting Policies (Continued)

Long-Lived Assets and Asset Impairment

The Organization accounts for impairment and disposition of long-lived assets in accordance with the FASB ASC 360-10. *Property. Plant. and Equipment.* FASB ASC 360-10 requires impairment losses to be recognized for long-lived assets used in operations when indicators of impairment are present and the undiscounted future cash flows are not sufficient to recover the assets' carrying amount. For the years ended December 31, 2017 and 2016, there was no impairment of the value of such assets:

Donated Materials, Services, and Facilities

Donated materials and other noncash contributions are reflected in the accompanying financial statements at their estimated fair market value at the date of receipt.

Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Volunteer services that do not meet these criteria are not recognized in the financial statements, as there is no objective basis of deriving their value.

Donated use of facilities/land during the years ended December 31, 2017 and 2016, included 3.57 acres of land from the US Army, a 20.455 square-foot building, and 23,655 square feet of land from the City of Laguna Niguel. In addition, the Organization occupies 4 acres of land, as well as a 27,327 square-foot building donated by the City of Mission Viejo. Donated use of facilities/land is considered an exchange transaction and recorded as revenue and occupancy expense in the accompanying financial statements at their estimated fair market value. The Organization recognized fair value of \$944,898 for donated use of these facilities for the years ended December 31, 2017 and 2016. The methodology to estimate the fair value of the donated use of facilities is the market approach. The market approach uses comparable available buildings and actual completed transactions to determine values. Thus, the market approach provides a good estimate of what the property would sell or lease for if it were vacant and available for a buyer/tenant to occupy.

Accrued Vacation

As of December 31, 2017 and 2016, the accrued vacation liability was \$522,190 and \$493,945, respectively, and is included as a component of accrued payroll and employee benefits in the accompanying financial statements.

Note 2: Summary of Significant Accounting Policies (Continued)

Revenue Recognition

Amounts received from grants and contracts are not reported as revenue until the resources are expended for the purpose specified or until a stipulated time restriction ends.

In accordance with FASB ASC 958-605. Revenue Recognition, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases in liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other support that is restricted by the donor is reported as an increase in temporarily or permanently restricted net assets depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services by a method that best measures the relative degree of benefit. Program services are direct costs, and supporting services are indirect costs. Additionally, the costs of the subsidiary, Tipper, LLC, have been summarized on a functional basis in the consolidated statement of functional expenses.

Use of Estimates

The process of preparing financial statements in accordance with US GAAP requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Income Taxes

The YMCA is recognized as tax-exempt under Section 501(c)(3) of the Internal Revenue Code and the corresponding state code as a charitable organization whereby only unrelated business income is subject to income tax. The YMCA had no unrelated business income during the years ended December 31, 2017 and 2016. Accordingly, there is no provision for income taxes in the accompanying financial statements.

17

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 2: Summary of Significant Accounting Policies (Continued)

Income Taxes (Continued)

In accordance with FASB ASC 740-10-25, *Income Taxes*, an organization must recognize the tax benefit associated with tax taken for tax return purposes when it is more likely than not the position will be sustained. The YMCA does not believe there are any material uncertain tax positions, and accordingly, it has not recognized any liability for unrecognized tax benefits or any related interest or penalties at December 31, 2017 and 2016. The YMCA's tax years from 2015 to 2017 are open to review for federal tax purposes, and tax years from 2014 to 2017 are open to review for state income tax purposes.

Tipper is taxed as a partnership for federal tax purposes and accordingly pays no federal taxes. For California purposes, Tipper pays a minimum state of California tax of \$800 plus a fee based on its total revenue.

Tipper accounts for uncertain tax positions by making subjective assumptions and judgments regarding its income tax exposures. The application of income tax law is inherently complex. Laws and regulations in this area are voluminous and often ambiguous. Interpretations and guidance surrounding income tax laws and regulations change over time. As such, changes in Tipper's subjective assumptions and judgments can materially affect amounts recognized in the statements of financial position and the statements of activities.

Tipper's policy is to recognize interest and/or penalties related to all tax positions in income tax expense. To the extent that accrued interest and penalties do not ultimately become payable, amounts accrued will be reduced and reflected as a reduction of the overall income tax provision in the period that such determination is made. No interest or penalties were accrued as of December 31, 2017.

Tipper files income tax returns in US federal and California state jurisdictions. There are currently no open years subject to US federal or state income tax examination.

Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers (Topic 606). The ASU establishes new revenue recognition guidance ("ASC 606"), which replaces the current revenue recognition guidance. ASC 606 is a comprehensive revenue recognition standard for virtually all industries, including those that previously followed industry-specific guidance, such as the real estate, construction, and software industries. The core principle of ASC 606 is to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASC 606 is effective for nonpublic companies for amunal periods beginning after December 15, 2018, and interim periods within annual reporting periods beginning after December 15, 2019. Early adoption is permitted, but no earlier than periods beginning after December 15, 2016. The Organization is currently evaluating the impact of the provisions of ASC 606 on the presentation of its financial statements.

Note 2: Summary of Significant Accounting Policies (Continued)

Recent Accounting Pronouncements (Continued)

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The ASU amends a number of aspects of lease accounting, including requiring lessees to recognize on their balance sheet a right-of-use asset and a lease liability for all operating leases with a term of more than 12 months. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of asset not to recognize the right-of-use asset and lease liability. ASU 2016-02 is effective for fiscal years beginning after December 15, 2019; however, early adoption is permitted. The Organization is currently evaluating the impact of the provisions of ASU 2016-02 on its financial statements.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments - Credit Losses (Topic 326). ASU 2016-13 requires that credit losses on most financial assets measured at amortized cost and certain other instruments be measured using an expected credit loss model (referred to as the current expected credit loss model). The ASU also replaces the current accounting model for purchased credit impaired loans and debt securities. Further, the ASU made certain targeted amendments to the existing impairment model for available-for-sale debt securities. For nonpublic entities, including not-for-profit entities and employee benefit plans within the scope of Topics 960-965 on plan accounting, the amendments are effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. The Organization is currently evaluating the impact of the provisions of ASU 2016-13 on the presentation of its financial statements.

In August 2016, the FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958). ASU 2016-14 changes how a not-for-profit organization classifies its net assets, as well as the information it presents in financial statements and notes about its liquidity, financial performance, and cash flows. The ASU requires amended presentation and disclosures to help not-for-profit organizations provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. ASU 2016-14 is effective for fiscal years beginning after December 15, 2017, and early application is permitted. The Organization is currently evaluating the impact of the provisions of ASU 2016-14 on the presentation of its financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 3: Cash and Cash Equivalents

Cash and cash equivalents consist of the following as of December 31, 2017 and 2016:

2016	\$ 2,750 3.841,187 556,351	\$ 4,400,288
2017	\$ 3,000 1,913,984 464,700 19,238	\$ 2,400,922
	Petty cash Demand deposits Money market accounts Trust account	Total Cash and Cash Equivalents

The Organization maintains cash and cash equivalent balances at several banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation for up to \$250,000. The Organization has deposits with banks in excess of federally insured limits of \$1,766.265 and \$3.680.287 at December 31, 2017 and 2016, respectively.

The Organization's money market accounts are considered Level I fair value measurements, as more fully described in Note 8.

Tipper engaged Reliant Real Estate Management, Inc. .("REMM"), a property management

company, to manage rental lease contracts and building maintenance. As part of the agreemen, REMM established a trust account to which Tipper is the beneficiary.

Included in cash and cash equivalents are certain funds that are restricted for long-term purposes, including the endowment fund balance. Restricted balances totaled \$90,000 as of December 31, 2017 and 2016.

Note 4: Investments

The fair value of investments at December 31, 2017 and 2016, is as follows:

2016	\$ 1,939,577 151,893 153,827 5,624,902 1,178,590	\$ 9,048,789
2017	\$ 2,562,371 \$ 101,756 153,554 7,205,849 1,458,834	\$ 11,482,364
	Equity securities Municipal bonds Corporate bonds Mutual funds Exchange traded products	Total Investments

Note 4: Investments (Continued)

Investment income, net consists of the following for the years ended December 31, 2017 and 2016:

2017 2016	income \$ 244,746 \$ 210,411 gains 93,933 (61,618) 1,133,710 389,057 es (77,759) (67,378)	Vet \$ 1394.630 \$ 470.472
	Interest and dividend incon Net realized (losses) gains Net unrealized gains Less: Management fees	Investment Income. Net

Note 5: Accounts Receivable

Accounts receivable are composed of the following at December 31, 2017 and 2016:

2017 2016	\$ 338,653 \$ 283,172 345,818 272,892 64,085 301,392 (9,923)	\$ 738,633 \$ 857,456
	Grants (governmental/foundation) Program Other Less: Allowance for doubtful accounts	Total Accounts Receivable

Note 6: Property and Equipment

Property and equipment consist of the following at December 31, 2017 and 2016:

2017	\$ 4,923,743 \$ 3,377,403 21,110,763 16,965,164 4,235,168 4,204,471 421,399 326,748	30.691,073 24,873,786 (13,807,197) (12,755,101) 617,441 111,856	\$ 17,501,317 \$ 12,230,541
	Land Buildings and improvements Furniture and equipment Vehicles	Less: Accumulated depreciation Construction in progress	Property and Equipment, Net

Depreciation expense for the years ended December 31, 2017 and 2016, was \$1,522,696 and \$1.391.854, respectively.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 6: Property and Equipment (Continued)

The Organization completed a project in Santa Ana in November 2010, which was the site of a new YMCA facility. The project included two recreational pools, a soccer arena, sports field, a health and nutrition modular facility, and an office modular, along with an Olympic-size pool with lockers and shower facilities on the Segerstrom High School campus that is adjacent to the YMCA site. The majority of the project was funded by the Children and Families Commission of Orange County (the "Commission"). The grant is considered to be an exchange transaction pursuant to the YMCA contract with the Commission to provide certain community services at the site over a specified 10-year period. Accordingly, the Commission funding is not recognized as revenue upon incurrence of the related construction costs. Funding from the Commission is recorded as deferred revenue to be recognized ratably over the 10-year service period stipulated in the contract with the Commission. Revenue recognition commenced January 2012 and continues through December 2020 at a rate of \$250,000 per year. Deferred Santa Ana project funding as of December 31, 2017 and 2016, was \$750,000 and \$1,000,000, respectively.

Note 7: Lease Rental Income

Tipper leases office space to various tenants under rental lease agreements expiring in years through 2020.

Minimum future lease payments to be received as of December 31, 2017, are as follows:

\$ 175733	83.751	19,383	\$ 278,967
2018	2019	2020	Total

Note 8: Fair Value Measurements

FASB ASC 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

21

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY DECEMBER 31, 2017 (CONSOLIDATED) AND 2016 NOTES TO FINANCIAL STATEMENTS AND SUBSIDIARY

Note 8: Fair Value Measurements (Continued)

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

The following table provides fair value measurement information for financial assets measured

at fair value on a recurring basis as of December 31, 2017:

Note 8: Fair Value Measurements (Continued)

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY

AND SUBSIDIARY

DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

NOTES TO FINANCIAL STATEMENTS

Unobservable Significant

Observable Significant

Identical Assets

(Level 1)

Value Fair

Markets for

in Active

Quoted Prices

(Level 3) Inputs

(Level 2) Inputs Other

351,103

351,103 242,290 163,938 403,879 322.974 238,717 658,667

Consumer discretionary

Consumer goods Equity Securities:

Energy

403,879 322,974 163,938

238.717 658,667 60,426

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; or
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. value measurement.

The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2016.

255,310

1,473,267 ,458,834 \$ 11,227,054

1,473,267

Exchange-Traded Products

Total

Domestic

Foreign

\$ 11,482,364

101,756 153,554

101,756 61,741 58,637

> Municipal Bonds Corporate Bonds Mutual Funds:

Materials

Utilities

153,554 5,732,581

61,741 58,637

60,426

Information technology International stock

Health care Industrials Financials

> Equity Securities and Exchange-Traded Products: Valued at the closing price reported on the active market on which the individual securities are traded.

Municipal and Corporate Bonds: Valued at prices obtained from independent pricing services, without adjustment. Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by a retirement plan are deemed to be actively traded. The preceding methods may produce a fair value calculation that may not be indicative of net its valuation methods are appropriate and consistent with other market participants, the use of realizable value or reflective of future fair values. Furthermore, while the Organization believes different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

23

24

Note 8: Fair Value Measurements (Continued)

The following table provides fair value measurement information for financial assets measured at fair value on a recurring basis as of December 31, 2016:

Significant Unobservable Inputs (Level 3)			,	•	2	ų			ţ			,	3		•	•		
Significant Other Sobservable Inputs (Level 2)		· ·	r	,		1	,			c		151,893	153,827		¥			\$ 305,720 \$
Quoted Prices in Active Markets for Identical Assets (Level 1)		\$ 284,313	218,781	90,180	298,472	261,888	179,784	444,445	45,818	39,263	76,633		1		4,588,018	1,036,884	1,178,590	\$ 8,743,069
Fair Value		\$ 284,313	218,781	90,180	298,472	261,888	179,784	444,445	45,818	39,263	76,633	151,893	153,827		4,588,018	1,036,884	1,178,590	\$ 9,048,789
	Equity Securities:	Consumer discretionary	Consumer goods	Energy	Financials	Health care	Industrials	Information technology	International stock	Materials	Utilities	Municipal Bonds	Corporate Bonds	Mutual Funds:	Domestic	Foreign	Exchange-Traded Products	Total

Note 9: Notes Payable

In September 2011, the YMCA entered into a \$2,300,000 note with a variable interest rate, payable to Bank of America, N.A. in monthly principal and interest installments. The variable interest rate at December 31, 2016, was 2.98 percent. The final payment was due on January 29, 2017. The note was refinanced with Bank of America, N.A. in January 2017 to a fixed interest rate of 4.43 percent due on February 1, 2022, with a new principal balance of \$1,680,000. This note is secured by the Fullerton Family YMCA facility. The outstanding balance as of December 31, 2017 and 2016, is \$1,614,021 and \$1,659,004, respectively.

In September 2017, Tipper entered into a note payable of \$3,000,000 with HomeStreet Bank. The note payable bears a fixed interest rate of 4.08 percent, with monthly payments of \$16,063 due through maturity with an estimated \$2,167,201 balloon payment due at maturity on October 1, 2027. The note is guaranteed by the YMCA and is secured by the Tustin building. The outstanding balance as of December 31, 2017, is \$2,982,349.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 9: Notes Payable (Continued)

The following table represents the maturities of the notes payable for succeeding years ending December 31:

Deferred Finance Costs Total	(1,175) \$ 152,790				(1.175) 1.338.646		(11,545) \$ 4,584,825
De Principal Fi Payments (\$ 153,965 \$	160,750	167,668	175,255	1,339,821	2,598,911	\$ 4,596,370 \$
	2018	2019	2020	2021	2022	Thereafter	Total

Note 10: Net Assets Released from Restrictions

Net assets released from restrictions consist of the following at December 31, 2017 and 2016:

2016	\$ 69,000	\$ 117,644
2017	\$ 69,311	\$ 115,768
	Satisfaction of time restriction Satisfaction of purpose restriction	Total Net Assets Released from Restrictions

Note 11: Net Assets

Net assets consist of the following at December 31, 2017 and 2016:

2016	\$ 10,620,707 11,096,419	21,717,126
2017	\$ 12,938,721 10,111,294	23,050,015
Unrestricted Net Assets: Investment in property and equipment,	net of related debt Available for operations	Total unrestricted net assets

26

Note 11: Net Assets (Continued)

	\$ 241,360 69,311	310,671		90,000	000'06	\$ 24,111,013 \$ 22,117,797
	\$ 890,904	866'026	000	30,000	000'06	\$ 24,111,013
Temporarily Restricted Net Assets: Restricted for:	Subsequent years' programs Annual partners' campaign	Total temporality restricted net assets	Permanently Restricted Net Assets: Restricted for: Chick Hearn Foundation Endowment	CHANGE A LOGING AND A STREET OF THE COMMENTS O	Total permanently restricted net assets	Total Net Assets

Note 12: Commitments and Contingencies

a) Obligations Held under Capital Leases

The Organization is the lessee of various equipment under capital leases expiring in years through 2020. The assets and liabilities held under capital leases are recorded at the lower of the present value of the minimum lease payments or the fair value of the asset. The assets are depreciated over the lower of the related lease terms or their estimated productive lives. Depreciation of assets under capital leases is included in depreciation expense for the years ended December 31, 2017 and 2016.

The following is a summary of property held under capital leases at December 31, 2017 and 2016.

2017 2016	950,527 \$ 771,348	(765,547) (465,786)	184,980 \$ 326,452
	Machinery and equipment \$	ess: Accumulated depreciation	Property Held under Capital Leases, Net

Depreciation of assets held under capital leases charged to expense for the years ended December 31, 2017 and 2016, totaled \$320,651 and \$257,116, respectively.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 12: Commitments and Contingencies (Continued)

a) Obligations Held under Capital Leases (Continued)

2016

2017

Minimum future lease payments under capital leases as of December 31, 2017, are as follows:

\$ 104,739 60,803 27,240	ase payments 192,782 resenting interest (30,031)	Present value of net minimum lease payments 162.751 Current maturities of obligations held under capital leases (86.499)	Long-Term Portion of Obligations Held under Capital Leases
2018 2019 2020	Total minimum lease payments Less: Amount representing interest	Present value of net minimum lease payments Current maturities of obligations held under ca	Long-Term Portion of Obligation

Interest rates on capitalized leases vary from 3.63 percent to 6.68 percent and are based on the lessor's implicit rate of return.

b) Operating Leases

The Organization leases various facilities and equipment pursuant to lease agreements that expire through 2022. The Organization's facility leases provide for annual escalations, common area maintenance charges, and renewal options. The Organization is liable for insurance for both the facilities and equipment leases.

Future minimum payments under noncancelable operating leases with an initial term of one year or more are as follows for years ending December 31:

Total	\$ 1,058,617 587,763 510,788 473,061 378,136	\$ 3,008,365
Equipment	219,541 114,411 46,014 32,977 28,737	441,680
Facility	\$ 839,076 \$ 473,352 464,774 440,084 349,399	\$ 2,566,685
	2018 2019 2020 2021 2022	Total

Total rental expense for the operating leases described above was \$1,497,384 and \$1,212,728 for the years ended December 31, 2017 and 2016, respectively.

Note 12: Commitments and Contingencies (Continued)

c) Litigation

The Organization experiences litigation in the normal course of its business. Management does not believe that any pending or threatened litigation will have a material adverse effect on its financial statements.

Note 13: Related-Party Transactions

The Organization is a member of the National Council of Young Men's Christian Association of the United States of America ("National Council"). The Organization must meet annual certification requirements to remain a member. Support related to the National Council totaled \$415.289 and \$381,335, respectively, for the years ended December 31, 2017 and 2016.

The Organization participates in a defined contribution, individual account, and money purchase retirement plan, which is administered by the Young Men's Christian Association Retirement Fund ("Retirement Fund"), a separate corporation. The Retirement Fund is for the benefit of all eligible employees of the Organization who qualify under participation requirements.

In accordance with the Retirement Fund agreement, a percentage of the participating employee's qualified compensation is paid for by the Organization and is to be remitted to the Retirement Fund monthly. Total contributions made by the Organization that are charged to retirement costs for the years ended December 31, 2017 and 2016, aggregated \$1,035,824 and \$1,010,844, respectively. Unpaid contributions were \$137,035 and \$74,610, respectively, at December 31, 2017 and 2016, which represent December contributions.

The Retirement Fund is operated as a church pension plan and is a nonprofit, tax-exempt New York State corporation, which was established in 1922. Participation is available to all duly organized and reorganized YMCAs in the United States. As a defined contribution plan, the Retirement Fund has no unfunded benefit obligation.

In addition, the Organization has a bank account and note payable with HomeStreet Bank at December 31, 2017. There is a board member that is an employee of HomeStreet Bank. This board member abstains from decisions made concerning matters that would be a conflict of interest.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 13: Related-Party Transactions (Continued)

In June 2015, the Organization paid \$5,500 to become a member of Y Purchasing Group, LLC ("YPG"). Membership in YPG requires the Organization to make certain purchases of supplies and equipment through YPG. The Organization's chief executive officer is a board member of YPG. In June 2015, the Organization guaranteed a line of credit for YPG, As of December 31, 2017, the outstanding balance on the line of credit was \$496,375 and the total amount of credit available is \$500,000.

Note 14: Special Events

The YMCA has nine operating branches, each of which organizes its own special event activities. Special events held by the various branches for the year ended December 31, 2017, were as follower.

Net Revenue	\$ 51,142 73,740 18,175	\$ 143,057
Direct Expenses	(21,733) (52,244) (38,859)	(112,836)
	↔	69
Gross Revenue	\$ 72,875 125,984 57,034	\$ 255,893
	Dinners/breakfast Golf tournaments 5/10k runs	Total

Special events held by the various branches for the year ended December 31, 2016, were as follows:

Net Revenue	\$ 52,175 68,595 16,623	\$ 137,393
Direct Expenses	\$ (34,455) (34,890) (37,592)	\$ (106,937)
Gross Revenue	\$ 86,630 103,485 54,215	\$ 244,330
	Dinners/breakfast Golf tournaments 5/10k runs	Total

Note 15: Concentration of Risk

For the years ended December 31, 2017 and 2016, the Organization received approximately 37 percent and 38 percent, respectively, of its total support and revenues (excluding capital campaign, endowment, and other) from childcare fees associated with childcare services performed on the premises of facilities owned by the Capistrano Unified School District ("CUSD"). The Organization relies heavily upon these childcare fees to continue the related childcare programs. If the Organization's relationship with CUSD were to be terminated, it would likely cause a significant reduction in the Organization's operations.

Note 16: Beneficial Interest in Trust

In 2013, the Organization received documentation of being named in a trust. The trust has two components: one that is revocable and one that is irrevocable. The irrevocable trust component includes the value of an estate, including real and personal property, insurance contracts, retirement investments, and other investments. The revocable trust must first be liquidated prior to the funds being available for the irrevocable trust component. The irrevocable trust requires certain payments to four beneficiaries. The remaining trust assets will then be distributed of which 15 percent will be distributed to the Organization. At this time, no trust assets have been distributed to the Organization. At this time, no trust assets have been distributed to the Organization and the beneficiary interest in the trust is not recorded in the accompanying financial statements because fair value cannot be estimated.

Note 17: Pomona Valley YMCA

On March 9, 2017, the Organization entered into an asset transfer agreement with the Young Men's Christian Association of Pomona Valley ("YMCA Pomona"). Under the terms of the agreement, YMCA Pomona agreed to transfer rights of certain assets, and proceeds from future sales of other assets, to the Organization and granted the Organization rights to operate in YMCA Pomona's service area.

Note 18: Reclassifications

Certain reclassifications have been made to the 2016 financial statements in order to conform to the current-year presentation. These reclassifications had no effect on the reported results of operations.

Note 19: Subsequent Events

Events occurring after December 31, 2017, have been evaluated for possible adjustment to the financial statements or disclosure as of May 17, 2018, which is the date the financial statements were available to be issued.

CONSOLIDATING INFORMATION

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY SCHEDULE I - CONSOLIDATING STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2017

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY SCHEDULE II - CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN MEMBER'S EQUITY

YEAR ENDED DECEMBER 31, 2017

2,400,922 738,633 25,392 184,980 17,501,317 60,200 60,200 497,227 15,144,538 \$ 32,891,035 Total (8,609) (8,609) Eliminations (8.609)(2,247,614) 71,953 13,020 20,102 105,075 (2,247,614) 3,023,975 5,166,514 Tipper, LLC \$ 29,875,669 2,328,969 725,613 25,392 477,125 184,980 60,200 8,609 2,247,614 2,316,423 15,039,463 12,334,803 YMCA ASSETS Prepaid expense and other current assets Accounts receivable, net (Note 5) Property Held under Capital Leases, Net Property and Equipment, Net (Note 6) Current Assets: Cash and cash equivalents (Note 3) Investments (Notes 4 and 8) Receivables: Total Current Assets Pledges receivable, net Total Other Assets Investment in subsidiary Due from YMCA Total Assets Other Assets: Deposits

\$ 1,141,402 143,057

\$ 1.141,402 143,057

Special events, net of direct costs Total Fundraising Support

Operations Support, Revenue, and Gains: Fundraising Support:

1,284,459

Total

Eliminations

Tipper, LLC

YMCA

1,284,459

19,643,120 7.910,829 2,962,377 1,817,257

19.643,120 7.910,829 2,962,377

1,817,257

2.578,363 944,898 1.281,156 332,666

2,578,363 944,898 1,281,156 1,192,246

Donated use of facilities/land Community programs fees Facility fees Total Program Revenue

Camp fees

Membership fees Health and fitness fees

Childcare fees

Program Revenue:

Adventure guides fees

332,666

38,662,912

38,662,912 733,000 40,924,777

(2,462) (74,959) (77,421)

> 124,161 124,161

> > 40,878,037

Total Support, Revenue, and Gains

Operating Expenses: Program Services:

Childcare

733,000

Contribution from Pomona Valley YMCA Other Income

Rental Income

LIABILITIES AND NET ASSETS

\$ \$80,192 \$ 1,647,093 \$ 1,647,093 \$ 1,647,093 \$ 1,647,093 \$ 488,571 \$ 488,571 \$ 488,571 \$ 488,571 \$ 488,571 \$ 488,571 \$ 488,571 \$ 488,571 \$ 488,571 \$ 488,571 \$ 488,571 \$ 488,571 \$ 488,571 \$ 489,999 \$ 490,000 \$ 490,00	4,402 \$. \$ \$84,594 1,647,093 	69,309 - 152,790 73,711 - 3,731,575	40,160 - 40,160 - 500,000 - 76,252 - 742,035 - 4,42,035	2941,655 5.048,447 3.015.366 - 8.780.022		8,609 (8,609) 23,050,015 970,998	8,609 (8.609) 24,111,013
\$ 5 5 1,6 6 1,9 6 1,6 6 1,9 6 1,6 6 1,9 6		57,864				50,015 70,998 90,000	11,013
	⊷i 69		ge-Tem Liabilities: Deposits payable Deposits payable Debetered Sama Ana project funding, less current portion (Note 6) Long-term portion of obligations held under capital leases (Note 12a) Notes payable, less current portion (Note 9)	2 2	Commitments and Contingencies (Note 12)	23,	24,

(125,531)

(124,140)

(79,768) 2,118,747

803.885

1,993,216 22,117,797

1,391

(1,391)10,000

1,993,216 22,117,797

Increase (Decrease) in Net Assets

Net Assets, Beginning of Year

Member Contributions

Net Assets, End of Year

Total Nonoperating

2,117,356

1.391

\$ 24,111,013

8.609

24.111,013

(10,000)

1,394,630

1,391

803,885

1.393,239

Nonoperating Investment Income Gain on Sale of Property Held for Resale Loss on Disposal of Capital Assets

Operating Margin

15.819,132 12.483,175 1.963,594 694.866 3,077,438

15.819,132 12.483,175 1.963,594

Health and fitness Adventure guides activities

Camping Other community services

Total Program Services Administration and general

Supporting Services:

Fundraising Tipper, LLC

694,866 3,077,438 34,038,205 6.485,150 403.863

(74,959) (2,462)(77,421) (77,421)

34,038,205

123,090

125,552 125,552 125,552

6,963,972

Total Supporting Services Total Operating Expenses

41,002,177

6.560,109 403.863

7.012,103 41,050,308

See accompanying independent auditors' report.

See accompanying independent auditors' report.

YMCA OF ORANGE COUNTY



FOR YOUTH DEVELOPMENT® FOR HEALTHY LIVING FOR SOCIAL RESPONSIBILITY

Audit Results

December 31, 2017

The following communication was prepared as part of our audit, has consequential limitations, and is intended solely for the information and use of those charged with governance (e.g., Board of Trustees and Audit Committee) and, if appropriate, management of the Organization and is not intended to be, and shall not be used by anyone other than these specified parties.

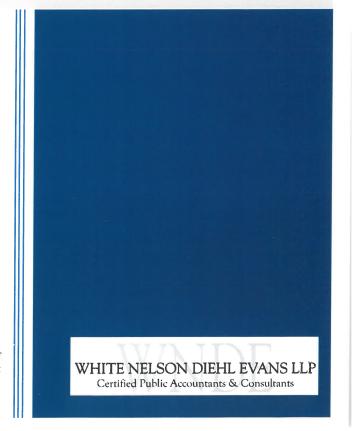


Table of Contents

	Page
Letter to the Board of Directors and Management	1
2017 Audit Results	
Summary of Our Audit Approach and Results	2
Significant Estimates	4
Accountant's Opinion	5
Required Communications	6
Accounting Standards Update	9
Appendices	
Internal Control Related Matters	Appendix 1
Proposed Audit Adjustments Not Recorded	Appendix 2



To the Board of Directors and Management of YMCA of Orange County, Inc. 13821 Newport Ave. #200, Tustin, CA 92780

We have completed our audit of the consolidated financial statements of the Young Men's Christian Association of Orange County and subsidiary (collectively the "Organization") as of and for the year ended December 31, 2017. This report includes communications required under auditing standards generally accepted in the United States of America, as well as other matters.

Our audit plan represented an approach responsive to the assessment of risk of material misstatement in financial reporting for the Organization. Specifically, auditing standards require us to:

- Express an opinion on the December 31, 2017, consolidated financial statements of the Organization.
- Issue communications required under auditing standards generally accepted in the United States of America to assist the partners and management committee in overseeing management's financial reporting and disclosure process.

This communication is intended solely for the information and use of the board of directors, management, and others within the Organization and is not intended to be, and should not be, used by anyone other than these specified parties.

We appreciate the opportunity to serve your Organization and look forward to a continued business relationship. If you have any questions, concerns, or accounting related matters we can assist with, please do not hesitate to contact us.

Irvine, California

White Nelson Diehl Tuens UP

May 17, 2018

Summary of Our Audit Approach and Results

Our Approach

White Nelson Diehl Evans LLP's audit approach focuses on areas of higher risk – the unique characteristics of the Organization's operating environment, the design effectiveness of your internal controls and your financial statement amounts and disclosures. The objective is to express an opinion on the conformity of your consolidated financial statements, in all material respects, with accounting principles generally accepted in the United States of America.

Areas of Audit Emphasis

The principal areas of audit emphasis and results were as follows:

Г	IB III			100	
ı	Emp	ากร	010		rag
L	91111	1000	60161	763.4	L Ca

Management override of controls – The risk that management may override existing and functioning accounting controls is an inherent risk to the Organization.

Revenue recognition – Risk of error in the recognition of revenue earned and application of industry-specific rules.

Functional expense allocation – The risk that management will improperly allocate administrative expenses as program expenses.

Cash Handling at Multiple Locations – Risk of misappropriation of cash due to the nature of risk related to accepting cash at multiple locations.

Net Assets – Risk that restricted assets are not properly classified or prematurity released from restriction.

Results

No matters are reportable.

Summary of Our Audit Approach and Results (Continued)

Areas of Audit Emphasis (Continued)

Emphasis Area

Investment in Subsidiary – The risk that management will improperly identify all necessary eliminating entries required for consolidation of financial statements.

Results

No matters are reportable.

Significant Estimates

The preparation of the consolidated financial statements requires considerable judgment because some assets, liabilities, revenues and expenses are "estimated" based on management's assumptions about future outcomes. For example, the value of contributed assets is impacted by the condition of the assets. Other estimates may be dependent on assumptions related to economic or environmental conditions, regulatory reform or changes in industry trends.

Some estimates are inherently more difficult to evaluate and highly susceptible to variation because the assumptions relating to future outcomes have a higher degree of uncertainty. To the extent future outcomes are different than expected, management's estimates are adjusted in future periods, sometimes having a significant effect on subsequent period financial statements.

The following are considered to be significant estimates for the Organization:

- Allowance for Doubtful Accounts Year-end receivables are examined by management to evaluate aging of accounts, specific customer circumstances and likelihood of collectability in order to estimate a balance that is likely not be collected.
- Value of Contributed Assets Management estimates the fair market value of in-kind contributions received based on price which the assets could be sold in a used goods marketplace or based on the value of services that could be obtained in the marketplace.
- **Useful Lives of Fixed Assets** Management estimates the useful lives of fixed assets to determine the timeframe over which the assets will be depreciated.
- **Contingent Losses** Management estimates the amount of liability to accrue for probable losses as a result of legal proceedings.

We evaluated the key factors and assumptions used to develop the estimates above in determining that they are reasonable in relation to the consolidated financial statements taken as a whole.

Accountant's Opinion

Unmodified or "Clean" Opinion Issued on Consolidated Financial statements

We have audited the consolidated financial statements Young Men's Christian Association of Orange County and subsidiary for the year ended December 31, 2017, and have issued our report thereon dated May 17, 2018. We have issued an unmodified or "clean" opinion, that the consolidated financial statements of the Organization as of December 31, 2017 are fairly presented, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

Required Communications

Generally accepted auditing standards require the auditor to ensure those charged with governance receive additional information regarding the scope and results of the audit that may assist you in overseeing management's financial reporting and disclosure process. Below, we summarize these required communications.

Auditor's Responsibilities under Auditing Standards Generally Accepted in the United States of America (GAAS)

An audit performed in accordance with auditing standards generally accepted in the United States of America is designed to obtain reasonable, rather than absolute, assurance about the consolidated financial statements. In performing auditing procedures, we establish scopes of audit tests in relation to the consolidated financial statements taken as a whole. Our engagement does not include a detailed audit of every transaction. Our engagement letter more specifically describes our responsibilities.

These standards require communication of significant matters related to the consolidated financial statement audit that are relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. Such matters are communicated in the remainder of this communication, or have previously been communicated during other phases of the audit. The standards do not require the auditor to design procedures for the purpose of identifying other matters to be communicated with those charged with governance.

An audit of the consolidated financial statements does not relieve management or those charged with governance of their responsibilities. Our engagement letter more specifically describes your responsibilities.

Professional standards also require that we communicate the following information relating to our audit.

Area

Qualitative Aspects of Accounting Practices

- Significant accounting policies are described in Note 1 of the financial statements.
- We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus.
- All significant transactions have been recognized in the financial statements in the proper period.

Comments

No matters are reportable.

Required Communications (Continued)

Area

Qualitative Aspects of Accounting Practices (Continued)

 No new accounting policies were adopted and the application of existing policies was not changed during 2017.

Financial Statement Disclosures are neutral, consistent, and clear

Difficulties Encountered in Performing the Audit

Disagreements With Management

Management Consultation With Other Accountants

Audit Adjustments

- During the course of any audit, an auditor may propose adjustments to financial statement amounts.
 Management evaluates our proposals and records those adjustments that, in its judgment, are required to prevent the financial statements from being materially misstated.
- Certain adjustments proposed were not recorded because their effects are not material.

Comments

No matters are reportable.

Areas in which adjustments were proposed include:

Proposed Audit Adjustments Not Recorded

Appendix 2 contains a summary of uncorrected misstatements we aggregated during the current engagement and pertaining to the latest period presented that were determined by management to be immaterial to the financial statements as a whole.

Required Communications (Continued)

Other Material Written Communications

We have requested certain representations from management that were included in the management representation letter dated May 17, 2018.

In addition, Appendix 1 attached to this letter lists our comments relating to internal control matters noted during the course of our audit.

Accounting Standards Update

In May 2014, the FASB issued Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers (Topic 606). The ASU establishes new revenue recognition guidance ("ASC 606"), which replaces the current revenue recognition guidance. ASC 606 is a comprehensive revenue recognition standard for virtually all industries, including those that previously followed industry-specific guidance, such as the real estate, construction, and software industries. The core principle of ASC 606 is to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASC 606 is effective for nonpublic companies for annual periods beginning after December 15, 2018, and interim periods within annual reporting periods beginning after December 15, 2019. Early adoption is permitted, but no earlier than periods beginning after December 15, 2016. The Organization is currently evaluating the impact of the provisions of ASC 606 on the presentation of its consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The ASU amends a number of aspects of lease accounting, including requiring lessees to recognize on their balance sheet a right-of-use asset and a lease liability for all operating leases with a term of more than 12 months. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of asset not to recognize the right-of-use asset and lease liability. ASU 2016-02 is effective for fiscal years beginning after December 15, 2019; however, early adoption is permitted. The Organization is currently evaluating the impact of the provisions of ASU 2016-02 on its consolidated financial statements.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments - Credit Losses (Topic 326). ASU 2016-13 requires that credit losses on most financial assets measured at amortized cost and certain other instruments be measured using an expected credit loss model (referred to as the current expected credit loss model). The ASU also replaces the current accounting model for purchased credit impaired loans and debt securities. Further, the ASU made certain targeted amendments to the existing impairment model for available-for-sale debt securities. For nonpublic entities, including not-for-profit entities and employee benefit plans within the scope of Topics 960-965 on plan accounting, the amendments are effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. The Organization is currently evaluating the impact of the provisions of ASU 2016-13 on the presentation of its consolidated financial statements.

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958)*. ASU 2016-14 changes how a not-for-profit organization classifies its net assets, as well as the information it presents in consolidated financial statements and notes about its liquidity, financial performance, and cash flows. The ASU requires amended presentation and disclosures to help not-for-profit organizations provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. ASU 2016-14 is effective for fiscal years beginning after December 15, 2017, and early application is permitted. The Organization is currently evaluating the impact of the provisions of ASU 2016-14 on the presentation of its consolidated financial statements.

Appendix 1

INTERNAL CONTROL RELATED MATTERS

In planning and performing our audit of the consolidated financial statements of Young Men's Christian Association of Orange County and subsidiary (the "Organization") as of and for the year ended December 31, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control, that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. The items that we have considered to be significant deficiencies are detailed below.

This communication is intended solely for the information and use of the board of directors, management, and others within the Organization and is not intended to be, and should not be, used by anyone other than these specified parties.

SIGNIFICANT DEFICIENCIES

Cash Receipts: Segregation of Duties

We noted that, though it is not a part of her regular duties, the individual who performs the remote bank deposits has access to post cash receipts and also has access to the general ledger. A lack of segregation of duties in this area indicates weaker internal controls and could result in erroneous postings as well as create opportunities for fraudulent activities. We recommend that this individual's access to the post cash receipts be removed to strengthen the system of internal control over accounts receivable and cash receipts.

INTERNAL CONTROL RELATED MATTERS (CONTINUED)

SIGNIFICANT DEFICIENCIES (CONTINUED)

Cash Receipts: Segregation of Duties (Continued)

Management's Response

There are some compensating factors to offset the risk but upon hiring another person in accounting, likely in the next month, the remote deposit task will be shifted to another person. Currently, cash is rarely received at the Association Office and all funds whether cash or check are first received by another person who then gives it to the Senior Accountant for deposit. Cash receipts are entered in the software by a different person and in some cases a software other than Great Plains/Dynamics such as Daxko for Financial Development. In the other software, the cash receipts are entered before giving the Senior Accountant the funds to deposit and she cannot change the posting amounts in the other software. Cash receipts entered directly into Great Plains/Dynamics are generally entered by someone other than the person doing the remote deposit and in all cases must be reviewed and signed off by another party before posting.

Cash Disbursements: Segregation of Duties

During our audit we noted that the same individual who prints checks, controls the positive pay exceptions list. Control over both printing checks and clearing positive pay exceptions provides the opportunity for printing a fraudulent check, which may be cleared as an exception, without being detected. We recommend that positive pay exceptions be cleared by someone who does not have access to print checks.

Management's Response

Effective April 2018, clearing the positive pay exceptions are being done by our Staff Accountant who does not have access to print checks.

Cash Disbursements: Vendor Changes

During our audit, we noted that the individuals responsible for processing accounts payable can also make changes to the vendor master file. We understand that the limited size of the accounting department makes it impracticable to achieve an optimum segregation of duties. However, the internal accounting controls could be strengthened if a vendor master file edit report is reviewed periodically to ensure that improper edits are not being made, or the ability to add vendors be limited to someone who is not responsible for processing accounts payable.

Management's Response

We have contacted our software provider to see about creating a custom report to report on all vendor master record additions, changes or deletions. This report will be reviewed periodically to ensure the validity of all changes. If we find the report is not feasible then we will reassign vendor master records to someone who is not responsible for accounts payable.

Appendix 2

sed Journa	I Entries JE# 301		
wn: To accr	ue commercial card charges as of 12/31/17		
3690	Misc Administrative Exp	36,327.00	
7018	Accounts Payable (Accruals)		36,327.00
I		36,327.00	36,327.00
sed Journa	l Entries JE#302		
wn: To reco	rd prior period adjustment to correct errors caused by		
rding and re	emoving assets through journal entry instead of the fixed		
8501	Current Fund Balance	178,253.00	
1998	Gain on Sale of Assets		70,667.00
2890	Depreciation Expense		107,586.00
I		178,253.00	178,253.00
	wn: To accr 3690 7018 I sed Journa wn: To recording and re 8501 1998 2890	7018 Accounts Payable (Accruals) Seed Journal Entries JE # 302 Why: To record prior period adjustment to correct errors caused by righter and removing assets through journal entry instead of the fixed 8501 Current Fund Balance 1998 Gain on Sale of Assets 2890 Depreciation Expense	wn: To accrue commercial card charges as of 12/31/17 3690 Misc Administrative Exp 36,327.00 7018 Accounts Payable (Accruals) 3690 Misc Administrative Exp 36,327.00 3690 Accounts Payable (Accruals) 3690 Misc Administrative Exp 36,327.00 3690 Accounts Payable (Accruals) 3690 To record prior period adjustment to correct errors caused by reding and removing assets through journal entry instead of the fixed 8501 Current Fund Balance 178,253.00 1998 Gain on Sale of Assets 2890 Depreciation Expense



INDEPENDENT ACCOUNTANTS' REPORT AGREED-UPON PROCEDURES

Board of Directors Young Men's Christian Association of Orange County Tustin, California

We have performed the procedures enumerated below, which were agreed to by the Young Men's Christian Association of Orange County ("YMCA"), solely to assist the YMCA with respect to the extended-day childcare revenue earned by the YMCA and reported to the Capistrano Unified School District ("CUSD") during the year ended December 31, 2017. YMCA's management is responsible for the extended-day childcare revenue reported to CUSD. The sufficiency of the procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. We obtained a copy of the extended-day childcare revenue contract between the YMCA and CUSD. We familiarized ourselves with specific conditions identified in this contract.

Results: We noted the following requirements applicable to the annual CUSD fee calculation:

- The vendor (YMCA) shall pay CUSD 1 percent of annual gross receipts for any and all extended-day childcare programs and additional programs operated in vendor-provided classrooms on CUSD property or CUSD classrooms or buildings.
- The CUSD fee of 1 percent will be based upon a minimum annual gross receipt of not less than \$4,000,000.
- 2. We documented and analyzed the procedures used by the YMCA to properly track and report gross receipts generated from programs operated from classrooms or buildings located on CUSD property.

Results: Each program run by the YMCA is assigned a unique program code. All critical information related to a program such as site, location, dates, time session information, fees, and account number, is entered into a system defined table file in the Day Care Works ("DCW") system which is linked to this program code.

The general ledger number entered into the table file contains a field for branch number, as well as the program code that allocates the revenue to the specific program and the appropriate branch and department at which the program was offered. The table file does not accept an invalid general ledger account number.

Each participant is enrolled by selecting the unique program codes assigned to the specific program for which the participant is registering. On a monthly or daily basis, DCW will calculate the total revenue due for each enrolled and active participant.

DCW generates a daily posting report that is reviewed by the YMCA staff at the administrative office, which is posted to the general ledger. At the end of the year, the finance staff compiles a summary of all revenues posted to the general ledger, making adjustments for revenue generated from programs not operated from classrooms or buildings located on CUSD property, and calculates the fee due to CUSD per agreement provisions.

3. We obtained a summary schedule compiled by YMCA staff that documented the gross annual revenue for the year ended December 31, 2017, for each of the branches (South Coast, Saddleback Valley, Beach Cities, and YMCA Community Services) that operate programs on CUSD property. We traced the gross revenues reflected on this summary schedule to general ledger accounting records to determine if the revenue on the schedule agrees with the accounting records.

Results: We found that the gross annual revenue on the summary schedule for the South Coast, Saddleback Valley, Beach Cities, and YMCA Community Services branches agreed to the general ledger accounting records of the YMCA for the year ended December 31, 2017.

- 4. The summary schedule obtained for procedure 3. documented above reflected total gross annual revenue obtained from the general ledger accounting records, non-CUSD revenue eliminating adjustments, and adjusted gross annual revenue applicable to the CUSD fee base for the year ended December 31, 2017. The non-CUSD revenue eliminating adjustments reduced gross annual revenue by those revenues not generated by programs operating in classrooms or buildings located on CUSD property. After these adjustments were made, the adjusted gross annual revenue reflects only those revenues generated by programs operating in classrooms or buildings located on CUSD property. We tested the eliminating adjustments as follows:
 - For all revenue classifications (i.e., contributions, membership fees, program fees, etc.), which are eliminated 100 percent from the CUSD fee base, we analyzed the nature and source of the revenue to determine if revenue was appropriately excluded.
 - For revenue classifications where none or part of the revenue was eliminated (seven accounts in the year ended December 31, 2017), we analyzed the details supporting gross revenue for the accounts and reviewed for reasonableness to determine if the portion of the revenue eliminated from the CUSD fee base was correct.

Results: We found that the YMCA included all revenues generated by programs operating in classrooms or buildings located on CUSD property.

5. For those revenues determined to be applicable to the CUSD fee base in procedure 4. above, we tested the general ledger accounting records supporting the amount of gross revenue for the year ended December 31, 2017, to determine if gross revenues were correctly stated. We selected two revenue accounts: Child Development Fees and Community Programs. For these two revenue accounts, we judgmentally chose three months for each account and traced the monthly revenue reported in the general ledger to the member management report, which provides a detail of revenue posted to the general ledger by member.

Results: We found that for each monthly revenue amount tested for the year ended December 31, 2017, the amounts recorded in the general ledger system agreed with the detail accounting records of the member management system.

6. We traced the Child Development Fees reported in the general ledger for CUSD sites to the general ledger used to prepare the financial statements for the year ended December 31, 2017, to determine if accounting records provided to perform the preceding procedures agreed with the audited financial statements.

Results: We found that the accounting records provided by the YMCA to perform the procedures outlined above agreed with the audited general ledger used to prepare the financial statements for the year ended December 31, 2017.

7. We recalculated the total fee owed to CUSD from extended-day childcare revenues generated by programs operating in classrooms or buildings located on CUSD property and compared the fees owed with the fees paid by the YMCA to CUSD as of the date of this report (see Attachment A).

Results: The fees due to CUSD for the year ended December 31, 2017, were calculated to be \$147,130.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, perform an audit or review, the objective of which would be the expression of an opinion or conclusion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the YMCA and CUSD and is not intended to be, and should not be, used by anyone other than those specified parties.

Irvine, California

White Nelson Diehl Tuans UP

May 17, 2018

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY ATTACHMENT A CAPISTRANO UNIFIED SCHOOL DISTRICT FEE CALCULATION YEAR ENDED DECEMBER 31, 2017

	Fee for Base
	Year Ended
	December 31, 2017
Revenue Source: Child Development Fee Child Care Administration Fee Promotions	\$ 15,335,723 142,450
Multichild Discounts Employee Discounts Scholarships Awarded Community Programs	(37,146) (291,800) (71,271) (513,897) 148,927
Total Revenue	14,712,986
CUSD % Fee Rate	1.0%
Fee Due to CUSD	\$ 147,130



Action

Item

Approval of YUSA Resolution Re: Child Protection & Aquatic Safety

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Executive Management Jeff McBride, CEO Dolores Daly, COO

RECOMMENDATION:

The Board of Directors approves the Resolution required by YMCA of the USA entitled YMCA Child Protection and Aquatic Safety Board Resolution.

REASON FOR ACTION:

YMCA of the USA's National Council Constitution now requires all YMCA's to be in compliance with the YMCA Child Protection and Aquatics Safety Membership Qualification by December 31, 2018. The new membership qualification, which has been be added to Article II, Section 2 of the National Council Constitution, reads as follows: "(k) Which annually certifies that, notwithstanding its local autonomy, the member association meets child abuse prevention and aquatics safety practices specified by the National Board.

This is a requirement of YMCA of the USA.

FINANCIAL IMPACT AND FUNDING SOURCE:

None



YMCA CHILD PROTECTION AND AQUATIC SAFETY BOARD RESOLUTION For Certification Year 2018

BE IT RESOLVED, that the Board of Directors of the (YMCA) <u>UMCA OF Orange</u> County Association # 05.35 does hereby certify that our association complies with the following practices				
• Our association completes a comprehensive YMCA of the USA-approved vendor, at least e	e child abuse prevention self-assessment, administered by a every two (2) years.			
• Our association has a policy requiring crimin background checks in compliance with applications	nal background checks on staff and volunteers. We conduct able laws.			
 Our association provides and requires traini child abuse. 	ng for staff and volunteers on preventing and responding to			
• Our association requires staff and volunteer	s to report child abuse in compliance with applicable laws.			
 Our association has a policy requiring screen screen in compliance with applicable laws. 	ning of members against a national sex offender registry. We			
 Our association follows a written protocol or sex offender. Our protocol complies with appli 	n how to respond when a member is identified as a registered icable laws.			
and local authorities. If local or state regulato	aquatic and safety codes and regulations established by state ry codes do not exist, our association complies with the ntrol and Prevention's Model Aquatic Health Code.			
 Our association has a written aquatic safety Guidelines for Ys, and our lifeguards are certif 	plan as outlined in YMCA of the USA's Aquatic Safety ied, trained, tested and deployed.			
This Resolution was adopted by the Board of Directors at a duly constituted meeting held on May 24, 2018, at which the resolution was approved.				
Signature of Board Chair	Signature of Board Secretary (or other designated Board officer)			
Printed Name of Board Chair	Michael Hahn Printed Name of Board Secretary (or other designated			
5 24/18 Date	Board officer) 5 24/18 Date			
	nature of Chief Executive Officer			
TOMMEN	nature of Chief Executive Officer			
	***==*			

Properly executed Resolution is due to YMCA of the USA no later than January 31, 2019. Send in PDF format to: cms.info@ymca.net



Action

Item

Approval of Opening Morgan Stanley Account

Re: Transfer of Pomona General Funds

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Executive Management Jeff McBride, CEO Joyce Kirchhofer, CFO

RECOMMENDATION:

The Board of Directors approves opening an account with Morgan Stanley for the transfer of general funds in the 22600 Sunset Crossing account from Pomona Valley YMCA.

REASON FOR ACTION:

YMCA of Orange County through asset transfer agreement is acquiring all assets of Pomona Valley YMCA. Pomona Valley YMCA has a Morgan Stanley account specifically for 22600 Sunset Crossing general funds. To transfer the final assets the YMCA of Orange County needs to open an account with Morgan Stanley to transfer said funds.

FINANCIAL IMPACT AND FUNDING SOURCE:

Funds being transferred \$108,058 as of statement dated April 30, 2018



For Sunset Crossing General Funds

Morgan Stanley

Financial Advisor No. Account No. For Internal Use Only Branch No. Account

Account Application and Client Agreement

For Partnerships, Limited Liability Entities, Sole Proprietorships, Corporations and Unincorporated Associations Accounts for U.S. Taxpayers

- To ensure prompt processing of your account(s):
- Depending on the emity type, enter the name of the emity in the appropriate section on page 4 or 5.
 Accounts for corporations require the separate Authorized Persons and Enabling Resolutions for Corporations document to be signed and returned.
- Accounts for unincorporated entities require the separate Authorized Persons and Enabling Resolutions for Municipalities and Certain
- Other Unincorporated Entities document to be signed and returned
 - 2. Select the appropriate Federal Tax Classification and enter the legal address of the entity on page 8. 3. Enter the name and provide or verify the Tax Identification Number of the entity on page 8.
- 4. If applicable, enter the exempt payee code and/or exempt FATCA reporting code on page 8 (see page 9 for exempt codes).
 - Please return pages 1-9, starting with this page. Please retain the attached Client Agreement for your records. 5. All authorized person(s) must sign and date where designated on page 8.

PLEASE NOTE: This application can be used to open a variety of entity accounts—your signature(s) only serves as an agreement to the certification that applies to the specific account type you are opening.

Important Information About This Application

To open and maintain your account(s), each client must acknowledge receipt of and agree to the terms and conditions of the Morgan Schaley Smith Barroy LIC ("Vlorgan Statley") Client Agreement ("Client Agreement"), any ancillary services you have elected to Schaley Smith Barroy LIC ("Vlorgan Statley") Client Agreement ("Client Agreement opening materials and in this application, Each element was also artest to the ax certification, and provide or verify their SSN or TIN. If you transmit an executed copy of the Client Agreement or other required documentation by facsimile, portable document format ("PDF") or by any other electronic method approved by Morgan Stanley, you agree to be bound by such electronic versions.

Account Linking Service

no charge for this service. After an account has been identified as eligible for automatic Account Linking, but before the account is added to an Account Linking, but before the account is added to an expression of the control and the control thinking, but before the account is added to the account expression of the theory account will be added during the following statement order. Upon receipt of your next account statement, all eligible linked account rearements will be consolidated into a single envelope. If you do not with to take advantage of the automatic Account Linking Service you may ope out of this service by allows you to receive multiple account statements and other important information together in a single envelope, in a consolidated format, with a summary page showing the value of each linked account. Accounts with the same mailing address, branch, Financial Advisor, and SSN(s) or TIN(s) ("Account Link Group") will be subject to Morgan Stanley's automatic Account Linking Service. There is To minimize the number of separate mailings you receive, we offer an automatic Account Linking Service. Our Account Linking Service contacting the Morgan Stanley team servicing your account(s).

consolidated statement can be accessed online through a single Morgan Stanley Online sign-on if you are an owner, or are authorized to met. You understand that if you link your account(s) with account(s) owned by others, your personal and financial information will be provided to such other account owner(s) by virtue of being included in an Account Link Group. With Account Linking, your You may request to add accounts to an Account Link Group that have different SSNs or TINs, provided all other eligibility rules are view or transact on an account.

Morgan Stanley Strink Berney LLC is a sugiescral broker-dealers not a bank. Where appropriate, we have entered into armagements with licensed banks and other third parries to assist in offening enterior services. U.S. basisand certificates of expension parchased throughout and relative the parties of the expension of the expension of the parties of the expension of the parties of the expension of the expension of the parties of the expension of the parties of the par

The Client Agreement sens forth the terms and conditions applicable to your account(s) and, together with the Important Account Information booklet and any other account open-ng information and other declearings professional properties and the set Also included in your account opening americals is a Magrin Disclosure extrement and a copy of our U.S. Priory Policy. The account(s) was repeting a brokenge account, which is not regulated by the Investment Advisors Act of 1940, as amended Cermin services may not be mailable in juridictions outside the United States.



ACCOUNT APPLICATION AND CLENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIETORSHIPS, CORPORATIONS AND UNINCORPORATIED ASSOCIATIONS ACCOUNTS.

PAGE 1 OF 9 NY CS 9175333 04/18

USA PATRIOT Act3 Notice

Important information about procedures for opening a new account or establishing a new relationship: To help the U.S. government fight the funding of terrorism and money laundering activities, federal law requires all U.S. financial institutions to obtain, verify, and record information that identifies each individual or institution that opens an account or establishes a customer relationship

your name, legal address, date of birth (as applicable). SSN/TIN (as applicable) and other identification information. This information will into a new customer relationship with Morgan Stanley, we will ask for be used to verify your identity. As appropriate, we may, in our discretion, ask for additional documentation or information. If all required documentation or information is not provided, Morgan Stanley may not be able to open an account or maintain a relationship with you. What this means for you: When you open a new account

Trusted Contact Authorization (optional)

and/or the identity of any legal guardian, executor, trustee or holder of a power of attorney or as otherwise permitted by the Rules of the By completing this section, you designate the person(s) listed below as your trusted contact person(s) ("Trusted Contact"). Your Trusted Contact(s) must be an individual 18 years of age or older. You understand that Morgan Stanley is authorized, in our discretion, unless required by applicable law, regulation or rule, to contact your Trusted Contact(s) and disclose information about you and/or your account(s) in order to address possible financial exploitation, confirm the specifies of your current contact information, health Financial Industry Regulatory Authority ("FINRA").

This Trusted Contact Authorization does not grant your Trusted Contact(s) trading authorization or any other authority to make decisions on your behalf. Morgan Stanley is authorized, but not obligated, unless required by law, regulation or rule, to contact the Trusted Contact(s) listed below. Where multiple Trusted Contacts are listed, we may contact one or more Trusted Contacts in any order we deem appropriate.

Please provide us with the information requested below.

NAME OF TRUSTED CONTACT	RELATIONSHIP/WHICH ACCOUNT OWNER	NER	
THE PERSON NAMED AND PARTY OF THE PE	The second secon	manufacture a second second	
MAILING ADDRESS	CITY	STATE	ZIP
	THE REAL PROPERTY AND ADDRESS OF THE PERSON NAMED IN COLUMN 2 AND	The state of the s	
PHONE NUMBER(S)	EMAIL ADDRESS		

IAME OF TRUSTED CONTACT			
	RELATIONSHIP/WHICH ACCOUNT OWNER		
	THE RESERVE OF THE PERSON NAMED IN COLUMN 1		
MILING ADDRESS	STATE	E ZIP	
The state of the s			
HONE NUMBER(S)			

MAILING ADDRESS	CITY	STATE	ZIP
PHONE NUMBER(S)	EMAIL ADDRESS		AND STREET, ST
	Trusted Contact Person		The state of the s
NAME OF TRUSTED CONTACT	RELATIONSHIP/WHICH ACCOUNT OWNER	IT OWNER	

The Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. I. No. 107-56 (2001).

PHONE NUMBER(S) MAILING ADDRESS

ZIP

STATE

ACCOUNT APPLICATION AND CLENT AGREEMENT FOR PARTNERSHIPS, LIMITED LABILITY ENTITIES, SOLE PROPRIETORSHIPS, CORPORATIONS AND UNINCORPORATED ASSOCIATIONS (042018) ANABUSED (042018).

PAGE 2 OF 9 NY CS 9175333 04/18 NAO AAABUSD

ă	
·	
а	
_	
:=	
>	
-	
-	
α	
_	
-	
2	
b	
-	
-	
"	
5	
~	
4	
.=	
-	
~	
-	
٤	
z	

Please note that your account(s) is automatically granted margin privileges* unless you check the "NO MARGIN" box below:

margin privileges, please read the Margin Disclosure Statement which is provided to you as part of your account opening materials and is also available online at http://www.morganstanley.com/wealth-disclosures/pdf/Margin_Disclosure_Statement.pdf. See the Margin Interest your cumulative margin availability (accounts must be in the same name and held by you in the same capacity). For more information on Morgan Stanley account with margin privileges, the value of all marginable securities in your accounts may be aggregated to determine Rate Schedule for margin interest rates available at http://www.morganstanley.com/wealth-disclosures/pdf/Margin_Interest_Rate.pdf. Margin privileges may not be available in certain jurisdictions and are not available for all account types. If you have more than one

Automatic Cash Sweep

(e.g., certain persons residing outside the U.S.). The Bank Deposit Program is described in your account opening materials, as well as in the Bank Deposit Program Disclosure Statement that can be found at http://www.morganstanley.com/wealth-investmentstrategies/pdf/ BDP_disclosure.pdf. If you are incligible to participate in the Bank Deposit Program, any free credit balances in all of your accounts will ment unless you are incligible to participate in the Bank Deposit Program automatically sweep into one of the following money market mutual funds' based upon eligibility: The Bank Deposit Program will be your default sweep invest

- Institutional Liquidity Funds Government Securities Portfolio (available only if you are a U.S. Person and are not eligible for the Bank Deposit Program, or if you exceed the Deposit Maximum as defined in the Bank Deposit Program Disclosure)
 - · SICAV U.S. Dollar Liquidity Fund Offshore Money Market Mutual Fund (does not meet the requirements of 270.2a.7 of the U.S. ment Company Act and is not available to U.S. Persons as defined in Regulation S of the Securities Act of 1933)
- ment Money Market Trust (available only for individual retirement accounts that are not eligible for the Bank Deposit Program)

Cash Management (Not all account types are eligible for all Cash Management services) CheckWriting

🗆 If eligible you will receive 50 complimentary waller-style checks unless you opt out of checkwriting privileges by checking this box.

Debit Card⁶

If eligible, you will receive a free Morgan Stanley Debit Card which is accepted at MasterCard", Maestro" and STAR" network locations. \Box If you check this box and your account type is eligible, you will receive a Debit Card.

Electronic Delivery (eDelivery)

Check this box if you would like to enroll in Electronic Delivery of all cligible eDelivery Documents (as defined in the Client Agreement) and agree to be bound by the Electronic Delivery terms set forth in the Client Agreement. Note: acceptance of additional online eDelivery Terms and Conditions is required.

log-in to www.morganstanley.com/online there will be an email verification process that must be completed before electronic delivery can As a client enrolled in eDelivery, you will receive electronic norifications that certain documents are available for review electronically in lieu of receiving hard copies of such documents. These notifications will be sent to the email address that you provide below. At your first commence. Any account(s) you open in the future that are linked to your existing account(s) will also be enrolled in eDelivery.

Please send all eDelivery notifications to the following email address:

- Morgan Stanley reserves the right to approve or deny the use of margin privileges at its discretion. This does not constitute an application for credit.
- Our affiliare, Morgan Straley Investment Management ("MSIM"), serves as the investment advisor to the listed money marker mutual funds. Morgan Stanley receives revenue-sharing compression from MSIM based upon the amount of assets held by elecats in these money marker mutual funds.
- The Morgan Study Debt Card is loaned by UMB Bank n.a., porsones to a license from Moster Card International Incorporated Master Card and Master Card and Master Card International Procurent International Internati

ACCOUNT APPLICATION AND CLENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIED ASSOCIATIONS AND UNINCORPORATED ASSOCIATION SAND GLAZOLD.

NAO AAABUSD

PAGE 3 0F 9 NY CS 9175333 04/18

AAABUSD

Sole Proprietorship Certification

The full name of the sole proprietorship is:

In consideration of Morgan Stanley opening and maintaining one or more accounts for the sole proprietorship named above, you, the

- 1. certify that you are the sole owner of the sole proprietorship named above.
- act on behalf of the sole proprietorship, or any and all claims, liabilities and expenses which may arise from continued reliance on this 2. agree to indemnify Morgan Stanley, its subsidiaries, affiliates, successors, assigns and employees and hold each of them harmless from related to investments, withdrawals, distributions, contributions and transfers) from you or any other person or entity authorized to any and all claims. Iiabilities and expenses which may atise from accepting instructions (including, but not limited to, instructions Certification. The provisions of this paragraph shall survive the termination of the account(s).
 - 3. agree to notify Morgan Stanley in writing of any change to your authority or the authority of any other person or entity authorized to act on behalf of the sole proprietorship, or any other event which could materially alter the representations made in this Certification. Morgan Stanley may rely on the continued validity of this Certification indefinitely, absent actual receipt of such written notice.
 - f. agree to notify Morgan Stanley, in advance and in writing, if any other person or entity is given authority to act on behalf of the sole
- proprietorship. Morgan Stanley may rely on the continued validity of this Certification indefinitely, absent actual receipt of such written notice. agree that Morgan Stanley may apply this Certification to any accounts in the name of the sole proprietorship named above. You further agree that all of these terms, conditions, authorizations and representations shall apply to such additional acc

General Partnership Certification

The full name of the general partnership is:

above of which the undersigned are all the general partners ("the Partnership"), the general partners jointly and severally certify that, each In consideration of Morgan Stanley opening and maintaining an account in the name of the duly organized general partnership named general partner has the authority on behalf of the Partnership:

- 1. to buy, sell (including short sales) and otherwise deal in, through Morgan Stanley, stocks, bonds, equity options, debt options commodities and commodity options, precious metals, mutual funds and other securities, on margin or otherwise;
- 2. to receive demands, notices, confirmations, reports, account statements, purchase and sale notices, and other communications;
 - 3. to deposit and withdraw money, securities and property of every kind to and from the account(s);
- 4. to borrow money from Morgan Stanley and its Affiliates and to secure payment thereof with property of the Partnership;
- 5. to make agreements relating to any of the foregoing matters, or the account(s) generally, and to terminate, modify or waive any of the
 - The authority hereby conferred shall remain in force until written notice of its revocation is delivered to Morgan Stanley at the office 6. to deal with Morgan Stanley as fully and completely as if the account(s) were in the general partner's name alone.

servicing the account(s).

The general partners agree to jointly and severally indemnify Morgan Stanley, its subsidiaries, affiliates, successors, assigns and employees and to hold each of them harmless from any and all daims, liabilities and expenses which may arise from any action, instruction or omission attributable to any general partner(s) or any claims, liabilities and expenses which may arise from continued reliance on this Cettification. The provisions of this paragraph shall survive the termination of cither the Partnership or the account(s)

If Morgan Stanley receives conflicting instructions from two or more general partners, or reasonably believes instructions from one general Certification. Morgan Stanley may rely on the continued validity of this Certification indefinitely, absent actual receipt of such written notice. pattner might conflict with the intentions or interests of another general partner, Morgan Stanley may do any of the following: (a) choose which instructions to follow and which to disregard; (b) suspend all activity in the account until written instructions signed by all general any general partner, the addition of a new general partner, or any other event which could materially alter the representations made in this The general partners agree to immediately notify Morgan Stanley, in writing, of the death, retirement, withdrawal, or incompetency of monies or other Property, net of debits or liabilities, to the address of eccord: and/or (d) take other action which Morgan Stanley deems appropriate. partners are received; (c) close the account and send all funds,

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIETORSHIPS, CORPORATIONS AND UNINCORPORATED ASSOCIATIONS ACCOUNTS.

PAGE 4 OF 9 NY CS 9175333 04/18

NAO

73/127

The general partners agree that Morgan Stanley retains the right to require joint action of all general partners and/or authorized persons with respect to any activity relating to the Partnership account(s) whenever such joint action is deemed necessary in Morgan Stanley's discretion.

named above. The general partners further agree that all of these terms, conditions, authorizations and representations shall apply to such The general partners agree that Morgan Stanley may apply this Certification to any accounts in the name of the general partnership

Limited Liability Entity Certification

The full legal name of the limited liability entity ("LLE") is:

which all the undersigned are managing member(s) or general partner(s), the managing member(s)/general partner(s) jointly and severally In consideration of Morgan Stanley opening and maintaining an account in the name of the above referenced duly organized LLE of certify that, each managing member/general partner designated herein has the authority on behalf of the LLE:

- 1. to buy, sell (including short sales) and otherwise deal in, through Morgan Stanley, stocks, bonds, equity options, debt options, commodities and commodity options, precious metals, mutual funds and any other securities, on margin or otherwise;
 - nts, purchase and sale notices, and other communications; 2. to receive demands, notices, confirmations, reports, account statem

 - 3. to deposit and withdraw money, secutities and property of every kind to and from the account(s);
- 5. to make agreements relating to any of the foregoing matters, or the account(s) generally, and to terminate, modify or waive any of the 4. to borrow money from Morgan Stanley and/or its Affiliates and to secure payment thereof with property of the LLE; provisions of same; and
- to deal with Morgan Stanley as fully and completely as if the account(s) were in the managing member's/general partner's name alone. The authority hereby conferred shall remain in force until written notice of its revocation is delivered to Morgan Stanley at the office

The managing member(s)/general partner(s) on behalf of the LLE and individually agree to jointly and severally indemnify Morgan Stanley, its subsidiaries, affiliates, successors, assigns and employees and hold each of them harmless from any and all claims, liabilities, and expenses which may arise from any action, instruction or omission attributable to any managing member(s)/general partner(s) or any and all claims. Iiabilities and expenses which may arise from continued reliance on this Certification. The provisions of this paragraph shall survive the termination of either the LLE or the account(s).

partner, or any other event which could materially alter the representations made in this Certification. Morgan Stanley may rely on the ment, withdrawal or incompetency of any managing member/general partner, the addition of a new managing member/general The managing member(s)/general partner(s) and/or the LLE agree to immediately notify Morgan Stanley, in writing, of the death, continued validity of this Certification indefinitely, absent actual receipt of such written notice.

instructions from one managing member/general partner might conflict with the intentions or interests of another managing member/general partner, Morgan Stanley may do any of the following: (a) choose which instructions to follow and which to disregard; (b) suspend all activity in the account until written instructions signed by all managing member(s)/general partner(s) are received; (c) close the account and send all funds, monies or other Property, net of debits or liabilities, to the address of record; and/or (d) take any other action which Morgan Stanley If Morgan Stanley receives conflicting instructions from two or more managing member(s)/general partner(s), or reasonably believes

member(s)/general partner(s) with respect to any activity relating to the account(s) whenever such joint action is deemed necessary in The managing member(s)/general partner(s) agree that Morgan Stanley retains the right to require joint action of all managing Morgan Stanley's discretion.

the LLE listed above. The managing member(s)/general partner(s) further agree that all of these terms, conditions, authorizations and The managing member(s)/general partner(s) agree that Morgan Stanley may apply this Certification to any accounts in the name of representations shall apply to such additional accounts. ACCOUNT APPLICATION AND CLENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIETORSHIPS, CORPORATIONS AND UNINCORPORATIED ASSOCIATIONS AGABUSIO (0.42018)

NAO

AAABUSD

Agreements and Signatures

By either signing below or attesting through forms of electronic attestation acceptable to Morgan Stanley, you acknowledge receipt of and agree to the terms of the Client Agreement and this application as well as other relevant disclosures contained in your account opening materials, which by this reference are incorporated herein. You further agree that:

- You understand and agree that incurring a margin debit balance may result in your securities being loaned to us or to others. You further understand and agree that if you have selected check writing and/or debit card privileges, but have opted out of margin, a debit balance may nevertheless be established in your account(s) to cover check and/or debit card transactions (including, but not limited to, Information booklet included with your account opening materials, which describe the risks associated with margin borrowing. The l. unless you have opted out of margin privileges, margin loans may be extended to you from time to time for purposes of purchasing securities or otherwise. Please see the section entitled Margin as well as the Margin Disclosure Statement in the Important Account Margin Disclosure Statement is also available at: http://www.morganstanley.com/wealth-disclosures/pdf/Margin_Disclosure_Staten funds transfers and debit card purchases) when there are insufficient Available Funds in your account(s).
- check writing privileges, online bill payment services, electronic funds transfer capabilities and to issue debit cards as instructed by you. 2. if you have requested any Cash Management Services, you also agree to the terms of the relevant disclosures contained in your accoun opening materials, this application and any other agreements that govern those services and authorize Morgan Stanley to establish
 - 3. your account(s) is also governed by the terms and conditions applicable to any ancillary services you have elected to receive and/or any applicable terms in the Client Agreement, other relevant disclosures contained in your account opening materials, this application and decline to participate in any services offered by Morgan Stanley at this time, but elect to do so in the future, you will be bound by the other agreements you may have with Morgan Stanley or other providers of services related to your account(s). You agree that if you any other agreements relating to such service(s) upon making such election(s).
 - you provide relating to any such additional accounts, the terms of the Client Agreement, other relevant disclosures contained in your among other things, establish additional Active Assets Accounts for you. You understand and agree that, subject to any information 4. Morgan Stanley may use this application and any certifications in connection herewith, including certain authorization forms, to, account opening materials, this application, any certifications in connection herewith and any other agreements relating to such services at that time, shall apply to any such additional accounts.
- holder of a power of attorney or as otherwise permitted by the Rules of FINRA. You may add, remove and/or change any or all of your will rely on your agreement to promptly notify us of any changes to your Trusted Contact(s). You further acknowledge that the Trusted Contact Authorization does not constitute a trading authorization or power of attorney and does not authorize your Trusted Contact(s) provided will be confirmed to you in writing. You understand and agree that your Trusted Contact(s) must be 18 years of age or older. your Trusted Contact(s) and disclose information about you and/or your account(s) in order to address possible financial exploitation. 5. if you have provided one or more Trusted Contact(s) in the Trusted Contact Authorization section of this application, the information You further understand and agree that we may, but are not obligated, unless required by applicable law, regulation or rule, to contact confirm the specifies of your current contact information, health status, and/or the identity of any legal guardian, executor, trustee or Trusted Contacts at any time by contacting the Morgan Stanley team servicing your account(s). You acknowledge and agree that we to make any decisions on your behalf regarding your account(s), including, but not limited to, making changes to your beneficiary
- you represent that you are fully capable of understanding the English language. You agree that English is the governing language for all of your accounts as well as all agreements, documents and services provided by Morgan Stanley. You understand that we will rely material is provided to you by Morgan Stanley in a language other than English, you agree that such material is meant as a courtesy on this as a material representation in agreeing to open and maintain your account(s). If necessary, you agree to consult your own independent professional to assist you in understanding any material provided to you. If any document, communication or other translation only and is not binding.

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LABILITY ENTITIES, SOLE PROPRIETORSHIPS, CORPORATIONS AND UNINCORPORATED ASSOCIATIONS ARBUSIS (04/2018)

PAGE 6 OF 9 NY CS 9175333 04/18 NAO

AAABUSD

PAGE 5 OF 9 NY CS 9175333 04/18

74/127

. co c

open and/or to service your account(s). You also agree that you will not use your account(s), or permit them to be used, for any transactions (i) with, involving or for the benefit of, any Sanctioned Person (excluding legally permissible transactions in debt or equity 7. If you, or any other account owner, or authorized person on your account(s) is, or has been, a "Politically Exposed Person" ("PEP"), or is a corporation, business or entity that is closely aligned with a PEP such that it is subject to due diligence as a PEP ("PEP Entity"),* issued by an entity designated on OFAC's Sectoral Sanctions Identifications List), or (ii) in any other manner that would cause either you confirm that you have disclosed this fact to Morgan Stanley and have provided the necessary information required by law to you or Morgan Stanley to violate any Sanctions."

Additional certifications for clients who are not U.S. Persons¹⁰

- By either signing below or attesting through forms of electronic attestation acceptable to Morgan Stanley, you eertify that:
- Morgan Stanley by you or any individual related to your account(s) are current, true and accurate. You agree to notify Morgan Stanley you are not a U.S. Person. You affirm, as applicable, that any photocopies of a passport or national identity card provided to immediately in the event you become a U.S. Person.
- in Regulation S of the Securities Act of 1933, and that you were not in the United States at the time you signed this application, and b. If you are ineligible to participate in the Bank Deposit Program, the SICAV U.S. Dollar Liquidity Fund Offshore Money Marker Mutual Fund ("SICAV Money Market Mutual Fund") will be your default sweep investment if you are not a U.S. Person as defined you were not solicited to select the SICAV Money Market Mutual Fund while you were in the United States. You further agree that Morgan Stanley is authorized to sweep any free credit balances in your account(s) into the SICAV Money Market Mutual Fund.
- you have specifically requested investment services from Morgan Stanley of your own volition and you have requested that Morgan Stanley provide advice to you on a continuing basis.
- d. you will use your account(s) solely for lawful purposes and will comply with all applicable laws, regulations and rules regarding taxation, exchange and capital controls, and reporting and filing requirements.

THIS SECTION INTENTIONALLY LEFT BLANK

A Politicully Exposed Person on PEP is a current of former prominent public figure, an immediate family member of a prominent public figure, as a more document on a prominent public pu

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LABILITY ENTITIES, SOLE PROPRIETORSHIPS, CORPORATIONS AND UNINCORPORATED ASSOCIATIONS ACCOUNTS AAABUSD (04/2018)

PAGE 7 OF 9 NY CS 9175333 04/18 NAO

AAABUSD

Client Acknowledgement

If you are not a U.S. person for U.S. federal tax purposes, your signature below does not constitute a certification to the Substitute Form W.9. Non-U.S. persons must file the appropriate Form W.8 which will be provided to you separately. Morgan Stanley may be required by law to withhold a percentage of dividends, interest and gross proceeds of sales of securities for any account for which a Form W.9 or appropriate W.8 is not on file with Morgan Stanley.

	The state of the s			
Tax Certification and Signatures Substitute Form W-9: Request for Taxpay Under penalties of perjury, you certify that:	Tax Certification and Signatures Substitute Form W-9: Request for Taxpayer Identification Number and Certification Under penalties of perjury, you certify that:	Number and Certification		
The number provided h You are not subject to b a. You are exempt from	The number provided herein is your correct Taxpayer Identi You are not subject to backup withholding because: a. You are exempt from backin withholdine or	fication Number (or you are	The number provided herein is your correct Taxpayer Identification Number (or you are waiting for a number to be issued to you); and You are not subject to backup withholding because: a. You are exempt from backup withholding or	u); and
b. You have not been refailure to report all if ailure to report all if c. The IRS has notified 3. You are a U.S. person (b. You have not been notified by the Internal Revenue Service (IRS) that you are subjectifulure to report all interest and dividends, on. c. The IRS has notified you that you are no longer subject to backup withholding; and You are a U.S. person (including a U.S. resident alten).	rvice (IRS) that you are subj to backup withholding; an	b. You have not person example by the Internal Revenue Service (IRS) that you are subject to backup withholding as a result of a failure to report all interest and dividents, or c. The IRS has notified you that you are no longer subject to backup withholding; and You are a U.S. person (including a U.S. resident alien).	fa
CERTIFICATION INST BY THE IRS THAT YOU REPORT ALL INTERES	CERTIFICATION INSTRUCTIONS. YOU MUST CROSS OUT ITEM N BY THE IRS THAT YOU ARE CURRENTLY SUBJECT TO BACKUP WT REPORT ALL INTEREST AND DIVIDENDS ON YOUR TAX RETURN.	S OUT ITEM NUMBER. O BACKUP WITHHOLD Y TAX RETURN.	CERTIFICATION INSTRUCTIONS. YOU MUST CROSS OUT ITEM NUMBER 2 ABOVE IF YOU HAVE BEEN NOTIFIED BY THE IRS THAT YOU ARE CURRENTLY SUBJECT TO BACKUP WITHHOLDING BECAUSE YOU HAVE FAILED TO REPORT ALL INTEREST AND DIVIDENDS ON YOUR TAX RETURN.	TIFIED D TO
NAME OF ENTITY			TO STORY AND THE	
ENTITY TAX IDENTIFICATION MINABED	G	Federal Tax Classification (check one):	(check one);	
Legal Address of the Entity:		Partnership (includes Limited Partnership) Unincorporated Entity or Other Organization	mited Partnership) or Other Organization	
LEGAL BUSINESS STREET ADDRESS (CANNOT BE PO BOX)	(CANNOT BE PO BOX)	S Corporation C C C Limited Liability Entity	S Corporation	1-profit)
CITY, STATE AND ZIP OR POSTAL COI	CITY, STATE AND ZIP OR POSTAL CODE (AND COUNTRY IF OUTSIDE THE US)	(C = C Corporation, S = S	= C Corporation, S = S Corporation, P = Partnership):	
Exempt payee code (if any)		Exemption from FATCA reporting code (if any)	porting code (if any)	
See page 9 for codes		See page 9 for codes		
Your account(s) at Morga predispute arbitration cla of the attached Client Ag	Your account(s) at Morgan Stanley are governed by a predispute arbitration clause (starting on page 9, section 15 for the attacked Client Agreement). You acknowledge that you have received a conv. of the Client Agreement		The Internal Revenue Service does not require your consent to any provision of this Client Agreement other than the certifications required to avoid backup withholding set fears, a.e.	onsent the
the predispute arbitration clause.	n clause.			
AUTHORIZED INDIVIDUAL (PRINT NAME)	The second secon	SIGNATURE	SSN DATE (MM	DATE (MM/DD/YYYY)
AUTHORIZED INDIVIDUAL (PRINT NAME)	- The same and the same same same same same same same sam	SIGNATURE	SSN DATE (MM	DATE (MM/DD/YYYY)
AUTHORIZED INDIVIDUAL (PRINT NAME)	MAAAA MAAAAA Ahada aanaan a wayayaana (wayayayaya)	SIGNATURE	SSN DATE (MM	DATE (MM/DD/YYYY)
AUTHORIZED INDIVIDUAL (PRINT NAME)		SIGNATURE	SSN DATE (MM	DATE (MM/DD/YYYY)
AUTHORIZED INDIVIDUAL (PRINT NAME)	Commence of the commence of th	SIGNATURE	SSN DATE (MM	DATE (MM/DD/YYYY)
	ACCOUNT APPLICA SOLE PROP	TION AND CLIENT AGREEMEN RIETORSHIPS, CORPORATIONS	ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES	ENTITIES
			AAABUSD	(04/2018
AAABUSD NAO			NY CS 917	PAGE 8 OF NY CS 9175333 04/1

Exempt Payee Codes and Exemption from FATCA Reporting Codes

Exempt payee code. Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.

Note: If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding. The following codes identify payees that are exempt from backup withholding.

- 1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

 2—The United States or any of its agencies or instrumentalities

 3—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities

 - 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
 - 5-A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of
- the United States

7-A futures commission merchant registered with the Commodity Futures Trading Commission

- 8—A real estate investment trust 9—An entity registered at all times during the tax year under the Investment Company Act of 1940 10—A common trust fund operated by a bank under section 584(a)
- 12—A middleman known in the investment community as a nomince or custodian 13—A trust exempt from tax under section 664 or described in section 4947 11 —A financial institution

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements.

- A—An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)
- B—The United States or any of its agencies or instrumentalities

 [C—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities

 [D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg.
- section 1.1472-1(c)(1)(i)
- E—A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(i) F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state
 - G-A real estate investment trust
 - H—A regulared investment company as defined in section 851 or an entity registered at all times during the rax year under the Investment Company Act of 1940

- K-A broker
- I—A common trust fund as defined in section 584(a)
- $L\!-\!A$ trust exempt from tax under section 664 or described in section 4947(a)(1)
 - M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

© 2018 Morgan Stanley Smith Barney LLC. Member SIPC.

Morgan Stanley

NAO

AAABUSD

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LABILITY ENTITIES, SOLE PROFRIETORSHIPS, CORPORATIONS AND UNINCORPORATED ASSOCIATIONS ASSOCIATIONS AND UNINCORPORATED ASSOCIATIONS AND UNINCORPORATED ASS

PAGE 9 OF 9 NY CS 9175333 04/18



Action

Item

Approval of Resolution for Morgan Stanley Account

Re: Transfer of Pomona General Funds

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Executive Management Jeff McBride, CEO Joyce Kirchhofer, CFO

RECOMMENDATION:

The Board of Directors approves the resolution required by Morgan Stanley to open an account for the transfer of general funds in the 22600 Sunset Crossing account from Pomona Valley YMCA.

REASON FOR ACTION:

YMCA of Orange County through asset transfer agreement is acquiring all assets of Pomona Valley YMCA. Pomona Valley YMCA has a Morgan Stanley account specifically for 22600 Sunset Crossing general funds. To transfer the final assets the YMCA of Orange County needs to open an account with Morgan Stanley to transfer said funds.

FINANCIAL IMPACT AND FUNDING SOURCE:

Funds being transferred \$108,058 as of statement of April 30, 2018

For Sunset Crossing General Funds

For Internal Use	e Only	
Branch No.	Account No.	Financial Advisor No.
للسلسلسا		L

Morgan Stanley

Authorized Persons and Enabling Resolutions for Corporations

In consideration of Morgan Stanley Smith Barney LLC ("MSSB") opening and/or maintaining one or more accounts for the corporation named below, I, the undersigned duly authorized officer, hereby certifies and agrees as follows:

The full legal name of the corporation (the "Corporation") to which this document applies is:
Unina Men's Christian Association
NAME OF CORPORATION OF Orange County STATE OF INCORPORATION OR NON-U.S. JURISDICTION
2. Annih animal Damana

2. Authorized Persons

1. General Information

MSSB is hereby authorized to accept investment instructions and other instructions from the officers of the Corporation and/or other individuals listed below ("Authorized Persons"). These privileges include, but are not limited to, the authority to make distributions (e.g., of cash or securities) and transfers by check or otherwise to anyone, including the undersigned officers and/or other individuals.

If MSSB receives conflicting instructions from different Authorized Persons, or reasonably believes instructions from one Authorized Person might conflict with the wishes of another Authorized Person, MSSB may do any of the following: (a) choose which instructions to follow and which to disregard; (b) suspend all activity in the account until written instructions signed by all Authorized Persons are received; (c) close the account and deliver all securities and other property, net of debits or liabilities, to the address of record; and/or (d) take other action deemed necessary to protect the interests of MSSB.

(ALL AUTHORIZED PERSONS MUST COMPLETE THIS SECTION, EVEN IF ALSO SIGNING ON BEHALF OF THE CORPORATION AT THE END OF THIS DOCUMENT.)

NAME NAME	PRIMARY RESIDENCE: ADDRESS		
SIGNATURE	SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE
Joyce Kirchhofer SIGNATURE	PRIMARY RESIDENCE: ADDRESS SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE
NAME SIGNATURE	PRIMARY RESIDENCE: ADDRESS SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE
NAME	PRIMARY RESIDENCE: ADDRESS		
SIGNATURE	SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE



For Internal Use Only		
Branch No.	Account No.	Financial Advisor No.
L	<u> </u>	Law and the second

3. Enabling Resolutions

The following is a full, true and correct copy of Resolutions duly and regularly adopted by vote of the Board of Directors of the Corporation. Such Resolutions have not been rescinded or modified and are in full force and effect.

RESOLVED:

FIRST, that the Authorized Persons are, and each of them hereby is, authorized and empowered to the fullest extent possible, to act on behalf of the Corporation, to establish and maintain with MSSB one or more cash accounts, margin accounts, BusinesScape accounts, commodities accounts, or any other type of account offered by MSSB and its applicable affiliates ("Account"), for the purpose of purchasing, investing in, or otherwise acquiring, selling (including short selling), possessing, transferring, exchanging, borrowing, pledging or otherwise disposing of, and generally dealing in and with, cash and any and all forms of securities and financial instruments, including, but not limited to shares, stocks, bonds, debentures, notes, scrip, participation certificates, rights to subscribe, options, warrants, futures, commodities, commodity futures and/or options on futures, certificates of deposits, mortgages, evidence of indebtedness, commercial paper, and interests of any and every kind and nature whatsoever, secured and unsecured, whether represented by trust, participating and/or other certificates or otherwise.

SECOND, that, without obligation on MSSB's part to inquire, instructions or actions, by any Authorized Person shall individually have the fullest authority on behalf of the Corporation with respect to the Account including, but not limited to, authority to:

- 1) give written or oral instructions to MSSB with respect to any securities in, or transaction or service offered in connection with, the Account;
- 2) deposit or withdraw money, securities and other property of the Corporation to and from the Account;
- 3) borrow money from MSSB and secure payment thereof with the property of the Corporation;
- 4) bind the Corporation to any contract, arrangement or transaction, which shall be entered into by any Authorized Person with or through MSSB;
- 5) make payments related to the Account by checks and/or drafts drawn upon the funds of the Corporation;
- 6) endorse any securities in order to pass ownership thereof or for any other purpose;
- 7) direct the sale or exercise of any rights with respect to securities therein;
- 8) sign releases and powers of attorney and enter into contracts and agreements, including but not limited to any MSSB account agreements and documentation relating to any debit or credit card, the checkwriting privilege, online services, electronic fund transfers and other services which are or may be offered in connection with the Account (where available), as such documents may be modified from time to time, and any documentation permitted or contemplated by such agreements, products and services, and to affix the corporate seal to same when necessary;
- 9) direct MSSB to surrender securities to the proper agent or party for the purpose of effecting any exchange or conversion, or otherwise; and 10) take any and all action action in connection with the Account deemed necessary or desirable by any Authorized Person.

THIRD, that any Authorized Person may appoint any person(s) ("Designated Persons") to: (1) conduct trading in the Account; (2) endorse any securities, or to make, execute and deliver, under the corporate seal of the Corporation or otherwise, any instrument of assignment and/or transfer necessary or proper to pass title to such securities; (3) sign checks (in which event, the signature of the Designated Person shall promptly be provided on any applicable signature card upon request by MSSB); (4) use any associated debit or credit card (where available); or (5) provide instructions to effect electronic fund transfers.

FOURTH, that each Authorized Person is empowered and authorized to do all things each deems necessary or desirable to implement the foregoing Resolutions.

FIFTH, that MSSB may deal with any and all of the persons directly or indirectly empowered by foregoing Resolutions as though they are dealing with the Corporation directly.

AUTHORIZED PERSONS AND ENABLING RESOLUTIONS FOR CORPORATIONS (12/2014) NNAAAER

For Internal Use Only		
 Branch No.	Account No.	Financial Advisor No.
L	<u></u>	L

SIXTH, that the Secretary of Corporation (or other duly designated officer) is hereby authorized and empowered to certify to MSSB, under the seal of the Corporation or otherwise:

- (a) a true, correct and complete copy of these Resolutions;
- (b) specimen signatures of each Authorized Person and each Designated Person empowered by these Resolutions, if so requested by MSSB;
- (c) a certificate (which, if required by MSSB, shall be supported by an opinion of the general counsel of the Corporation, or other counsel satisfactory to MSSB) that the Corporation is duly organized and in good standing, that the corporate charter authorizes the action or business described in these Resolutions, and that no limitation has been imposed upon such powers by constitution, statute, regulation, charter, by-law or otherwise.

SEVENTH, that MSSB may rely upon any certification given in accordance with these Resolutions as continuing fully effective unless and until MSSB shall receive due written notice of an amendment, modification or rescission of such Resolutions or certification. Further resolved that MSSB shall not be liable for any action taken or not taken upon instruction of any Authorized Person or Designated Person prior to MSSB's actual receipt of written notice of the termination or impairment of such person's authority. The failure to supply any specimen signature shall not invalidate any transaction which is in accordance with authority previously granted. Further resolved that the Corporation shall indemnify and hold harmless MSSB and any of its subsidiaries and affiliates from any and all claims that a transaction was unauthorized or outside the scope of the Corporation's powers, if such transaction was authorized by any of the Authorized Persons or Designated Persons.

EIGHTH, that in the event of any change in the office or powers of persons hereby empowered, the secretary (or other duly designated officer), shall certify such changes to MSSB, in writing, which certification, when MSSB receives it, shall terminate the powers of the persons previously authorized and empower the persons thereby substituted in accordance with all the provisions of these Corporate Resolutions.

NINTH, that the Corporation hereby authorizes MSSB to charge any amount due to MSSB under any arrangement with the Corporation, against any or all of the accounts and other property of the Corporation held with MSSB or any of its affiliates, with the Corporation remaining liable for any deficiency and each Authorized Person or Designated Person is authorized and directed to pay to MSSB by checks and/or drafts drawn upon the funds of the Corporation such sums as may be necessary to discharge the Corporation's obligations to MSSB.

TENTH, Corporation agrees that MSSB may apply these Resolutions to any accounts in the name of the Corporation.

The following three (3) resolutions are applicable only to Native American Tribes:

ELEVENTH, that Section 15 of the Client Agreement is modified to include the following language: The Tribe agrees:

- (a) that binding arbitration shall be the exclusive formal remedy for all disputes, controversies or claims between the Tribe and MSSB, including its agents, assigns or Affiliates (collectively, "MSSB"), as further described in Section 15 of the Client Agreement;
- (b) that such arbitration shall provide final and binding resolution of any dispute between the parties;
- (c) that the Tribe expressly and irrevocably waives its immunity from suit as well as its rights to seek or exhaust tribal remedies and that the waiver granted herein includes the arbitration of disputes as contemplated by Section 15 of the Client Agreement, as well as any actions in any court of competent jurisdiction to compel arbitration and to enforce an arbitration award;
- (d) that the waivers of sovereign immunity and of the right to demand exhaustion of tribal remedies shall survive the expiration, termination or cancellation of the Client Agreement; and
- (e) that, if enforcement of an arbitration award or a judicial order becomes necessary by reason of failure of one or both parties to voluntarily comply, the Tribe waives its sovereign immunity from any final judgment or order of a court of competent jurisdiction enforcing an arbitration award.

AUTHORIZED PERSONS AND ENABLING RESOLUTIONS FOR CORPORATIONS (12/2014) NNAAAER

For Internal Use	e Only	
Branch No.	Account No.	Financial Advisor No.

TWELFTH, that the Tribe certifies that none of the monies, securities, funds or other property invested or to be invested by the Tribe in accordance with the Client Agreement and this resolution, or paid or to be paid to MSSB in accordance with the Client Agreement and this resolution, constitute (a) funds held by the United States in trust for the Tribe or for members of the Tribe, or (b) funds obtained by the Tribe from the United States of America or any State government or agency for the purpose of carrying out projects or programs specified by the United States of America or any State government or agency, other than funds received by the Tribe, pursuant to one or more guarantee contracts with the United States Department of Housing and Urban Development ("HUD"), for the purpose of funding affordable housing activities under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.).

THIRTEENTH, that the Tribe certifies, to the extent the Tribe is investing funds that are part of a tribal trust fund for minor members of the Tribe or subject to the requirements of a tribal trust fund or a HUD depository agreement, that investment instructions provided by the Tribe to MSSB with respect to such funds will comply with all legal requirements applicable to such funds.

4. Certification of the Duly Authorized Officer of the Corporation

IN WITNESS WHEREOF, I have hereunto affixed my hand (and the seal of the Corporation).

I hereby certify that I am the Duly Authorized Officer of the Corporation named above, a corporation duly organized and existing under the laws of the State of Incorporation or other non-U.S. jurisdiction, that the Corporation is in good standing and qualified to do business in this state or other non-U.S. jurisdiction. I further certify that the Resolutions herein are a true, correct and complete copy of Resolutions duly adopted at a meeting of the Board of Directors of the Corporation held on the date specified below, at which meeting a quorum was present and voting; that such Resolutions are in accordance with the charter and by-laws of the Corporation, are in full force and effect and have not been amended, modified or rescinded.

SIGNATURE OF DULY AUTHORIZED OFFICER

DATE (MM/DD/YYYY)

DATE OF MEETING OF BOARD OF DIRECTORS

5. Authority of the Corporate Duly Authorized Officer

The Corporation certifies that the Corporate Duly Authorized Officer, whose name appears above in the Certification, has been duly elected to and now holds that office and that the signature appearing opposite his or her name is his or her true signature.

PRINT NAME OF CERTIFYING PARTY

DATE (MM/DD/YYY)

DATE (MM/DD/YYYY)

© 2014 Morgan Stanley Smith Barney LLC. Member SIPC.



AUTHORIZED PERSONS AND ENABLING RESOLUTIONS FOR CORPORATIONS (12/2014) NNAAAER

NNAAAER

NAO

PAGE 4 OF 4 NY CS 8060860 12/14



Action

Item

Approval of Opening Morgan Stanley Account

Re: Transfer of Pomona Campership Funds

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Executive Management Jeff McBride, CEO Joyce Kirchhofer, CFO

RECOMMENDATION:

The Board of Directors approves opening an account with Morgan Stanley for the transfer of campership funds from Pomona Valley YMCA.

REASON FOR ACTION:

YMCA of Orange County through asset transfer agreement is acquiring all assets of Pomona Valley YMCA. Pomona Valley YMCA has a Morgan Stanley account specifically for campership funds. To transfer the final assets the YMCA of Orange County needs to open an account with Morgan Stanley to transfer said funds.

FINANCIAL IMPACT AND FUNDING SOURCE:

Funds being transferred \$23,312 as of statement dated April 30, 2018



for transfer of Pomone Campuship Fonds

Morgan Stanley

Account Application and Client Agreement

For Partnerships, Limited Liability Entities, Sole Proprietorships, Corporations and Unincorporated Associations Accounts for U.S. Taxpayers

- To ensure prompt processing of your account(s):
- Depending on the entity type, enter the name of the entity in the appropriate section on page 4 or 5.
 Accounts for corporations require the separate Authorized Persons and Enabling Resolutions for Corporations document to be signed and returned.
- Accounts for unincorporated entities require the separate Authorized Persons and Enabling Resolutions for Municipalities and Certain
 - 2. Select the appropriate Federal Tax Classification and enter the legal address of the entity on page 8. Other Unincorporated Entities document to be signed and returned
 - Enter the name and provide or verify the Tax Identification Number of the entity on page 8.
- 4. If applicable, enter the exempt payee code and/or exempt FATCA reporting code on page 8 (see page 9 for exempt codes). 5. All authorized person(s) must sign and date where designated on page 8.
- PLEASE NOTE: This application can be used to open a variety of entity accounts—your signature(s) only serves as an agreement to the Please return pages 1-9, starting with this page. Please retain the attached Client Agreement for your records.

To open and maintain your account(s), each client must acknowledge receipt of and agree to the terms and conditions of the Morgan Stanley Smith Barney LLC (Morgan Stanley)" Client Agreement "Client Agreement")" any ancillary services you have elected to receive, and any relevant disclosures that are contained in your account opening materials and in this application. Each electre must also arrest to the tax certification, and provide or verify their SSN or TIN. If you transmit an executed copy of the Client Agreement or other required documentation by facsimile, portable document format ("PDF") or by any other electronic method approved by Morgan Stanley, ccrtification that applies to the specific account type you are opening, Important Information About This Application you agree to be bound by such electronic versions.

to an Account Link Group, you will see a message on your account statement advising you that the new account will be added during the following statement cycle. Upon receipt of your next account statement, all cligible linked account statements will be consolidated into a single envelope. If you do not wish to take advantage of the automatic Account Linking Service you may opt-out of this service by To minimize the number of separate mailings you receive, we offer an automatic Account Linking Service. Our Account Linking Service allows you to receive multiple account statements and other important information together in a single envelope, in a consolidated format, with a summary page showing the value of each linked account. Accounts with the same mailing address, branch, Financial Advisor, and SSN(s) or TIN(s) ("Account Link Group") will be subject to Morgan Sanleys automatic Account Linking Service. There is no charge for this service. After an account has been identified as eligible for automatic Account Linking, but before the account is added contacting the Morgan Stanley team servicing your account(s). Account Linking Service

consolidated statement can be accessed online through a single Morgan Stanley Online sign-on if you are an owner, or are authorized to You may request to add accounts to an Account Link Group that have different SSNs or TINs, provided all other eligibility rules are met. You understand that if you link your account(s) with account(s) owned by others, your personal and financial information will be provided to such other account owner(s) by virtue of being included in an Account Link Group. With Account Linking, your view or transact on an account

Morgan Sandey Sanith Rarney ILIC is a registered broker-dealer, nor a bank. Where appropriate, we have entered into arrangements with licensed banks and other third parties to assist in ordering entering searchest. Use hardeness and referrables the explorition between the place of regions are insured by the Epots (Program are insured by the EPOLV) to applied let into a region of the investment products are not PLIC) cannel, are not a deposit or other religiation of a depository institution, and are not guaranteed by a depository fustification and are not guaranteed by a depository fustification. On a family an expression of the principal amount insensel.

The Client Agreement sets furth the terms and conditions applicable to your account(s) and, together with the Important Account Information brokler and any other account open-greg information and of other decreases, provide important information about account services and fee. Also included in your account opening marriads is a Margin Dischouse between and a copy of our U.S. Photop Philoy. The accountagly our perspecting as a brokening account, which is not regulated by the Investment Advisers Acr of 1940, as amounded, Certain services may not be available in jurisdictions conside the United Stones.

ACCOUNT APPLICATION AND CLENT AGREEMENT FOR PARTNERSHIPS, LIMITED LABILITY ENTITIES, SOLE PROPRIET ASSOCIATIONS CANDULY SOLE PROPRIET DASSOCIATIONS CANDULY SOLE PROPRIET ORSOLES (ACCOUNTS).

PAGE 1 OF 9 NY CS 9175333 04/18

USA PATRIOT Act3 Notice

government fight the funding of terrorism and moncy laundering activities, federal law requires all U.S. financial institutions to obtain, verify, and record information that identifies each individual or institution that opens an account or establishes a customer relationship Important information about procedures for opening a new account or establishing a new relationship: To help the U.S.

What this means for you: When you open a new account or enter into a new customer relationship with Morgan Stanley, we will ask for your name, legal address, date of birth (as applicable). SSN/TIN (as applicable) and other identification information. This information will be used to verify your identity. As appropriate, we may, in our discretion, ask for additional documentation or information. If all required documentation or information is not provided. Morgan Stanley may not be able to open an account or maintain a relationship with you.

Trusted Contact Authorization (optional)

and/or the identity of any legal guardian, executor, trustee or holder of a power of attorney or as otherwise permitted by the Rules of the By completing this section, you designate the person(s) listed below as your trusted contact person(s) ("Trusted Contact"). Your Trusted Contact(s) must be an individual 18 years of age or older. You understand that Morgan Stanley is authorized, in our discretion, unless required by applicable law, regulation or rule, to contact your Trusted Contact(s) and disclose information about you and/or your account(s) in order to address possible financial exploitation, confirm the specifies of your current contact information, health. Financial Industry Regulatory Authority ("FINRA"). This Trusted Contact Authorization does not grant your Trusted Contact(s) trading authorization or any other authority to make decisions on your behalf. Morgan Stanley is authorized, but not obligated, unless required by law, regulation or rule, to contact the Trusted Contact(s) isred below. Where multiple Trusted Connacts are listed, we may contact one or more Trusted Connacts in any order we deem appropriate.

below
requested
information
the
with
as
provide
lease

NAME OF TRUSTED CONTACT	RELATIONSHIP/WHICH ACCOUNT OWNER	NER	
The state of the s			
MAILING ADDRESS	CITY	STATE	ZIP
	The second secon		
PHONE NUMBER(S)	EMAIL ADDRESS		
The second secon			

DEL ATLONGUIDAMUNICA ACCOUNTS	
TICH ACCOUNT OWINGR	
MAILING ADDRESS STATE ZIP	ZIP
CITY EMAIL ADDRESS	STATE

NAME OF TRUSTED CONTACT	RELATIONSHIP/WHICH ACCOUNT OWNER	NER	
MAILING ADDRESS CITY	CITY	STATE	ZIP
PHONE NUMBER(S)	EMAIL ADDRESS		
Trusted Co	Trusted Contact Person	A control designation of the control	
NAME OF TRUSTED CONTACT	RELATIONSHIP/WHICH ACCOUNT OWNER	NER	
MAILING ADDRESS STATE ZIP	CITY	STATE	ZIP

The Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. I. No. 107-56 (2001).

EMAIL ADDRESS

PHONE NUMBER(S)

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIETIONSHIPS, CORPORATIONS AND UNINCORPOHATED ASSOCIATIONS ACCOUNTS.

PAGE 2 OF 9 NY CS 9175333 04/18

NAO AAABUSD

Automatic Margin Privileges

Please note that your account(s) is automatically granted margin privileges' unless you check the "NO MARGIN" box below:

margin privileges, please read the Margin Disclosure Statement which is provided to you as part of your account opening materials and is also available online at http://www.morganstanley.com/wealth-disclosures/pdf/Margin_Disclosure_Statement.pdf. See the Margin Interest Morgan Stanley account with margin privileges, the value of all marginable securities in your accounts may be aggregated to determine your cumulative margin availability (accounts must be in the same and held by you in the same capacity). For more information to Rare Schedule for margin interest rates available at http://www.morganstanley.com/wealth-disclosures/pdf/Margin_Interest_Rate.pdf. Margin privileges may not be available in certain jurisdictions and are not available for all account types. If you have more than one

Automatic Cash Sweep

BDP_disclosure.pdf. If you are incligible to participate in the Bank Deposit Program, any free credit balances in all of your accounts will (e.g., certain persons residing outside the U.S.). The Bank Deposit Program is described in your account opening materials, as well as in the Bank Deposit Program Disclosure Statement that can be found at http://www.morganstanley.com/wealth-investmentstrategies/pdf/ The Bank Deposit Program will be your default sweep investment unless you are ineligible to participate in the Bank Deposit Program automatically sweep into one of the following money market mutual funds' based upon eligibility:

- Institutional Liquidity Funds Government Securities Portfolio (available only if you are a U.S. Person and are not eligible for the Bank Deposit Program, or if you exceed the Deposit Maximum as defined in the Bank Deposit Program Disclosure)
 - · SICAV U.S. Dollar Liquidity Fund Offshore Money Market Mutual Fund (does not meet the requirements of 270.2a.7 of the U.S. tment Company Act and is not available to U.S. Persons as defined in Regulation S of the Securities Act of 1933)
- U.S. Government Money Market Trust (available only for individual retirement accounts that are not eligible for the Bank Deposit Program)

Cash Management (Not all account types are eligible for all Cash Management services)

🗌 If eligible you will receive 50 complimentary wallet-style checks unless you opt out of checkwriting privileges by checking this box. Debit Card⁶

If cligible, you will receive a free Morgan Stanley Debit Card which is accepted at MasterCard", Maestro" and STAR" network locations

🗌 If you check this box and your account type is eligible, you will receive a Debit Card.

Electronic Delivery (eDelivery)

🗌 Check this box if you would like to enroll in Electronic Delivery of all eligible eDelivery Documents (as defined in the Client Agreement) and agree to be bound by the Electronic Delivery terms set forth in the Client Agreement. Note: acceptance of

additional online eDelivery Terms and Conditions is required.

log-in to www.morganstanley.com/online there will be an email verification process that must be completed before electronic delivery can lieu of receiving hard copies of such documents. These notifications will be sent to the email address that you provide below. At your first As a client enrolled in eDelivery, you will receive electronic notifications that certain documents are available for review electronically in commence. Any account(s) you open in the future that are linked to your existing account(s) will also be enrolled in eDelivery.

Please send all eDelivery notifications to the following email address:

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIETIORSHIPS, CORPORATIONS AND UNINCORPORATIED ASSOCIATIONS ACCOUNTS.

AAABUSD (04/2012)

NAO

AAABUSD

Sole Proprietorship Certification

The full name of the sole proprietorship is:

In consideration of Morgan Stanley opening and maintaining one or more accounts for the sole proprietorship named above, you, the

- 1. certify that you are the sole owner of the sole proprietorship named above.
- act on behalf of the sole proprietorship, or any and all claims, liabilities and expenses which may arise from continued reliance on this 2. agree to indemnify Morgan Stanley, its subsidiaries, affiliates, successors, assigns and employees and hold each of them harmless from ents, withdrawals, distributions, contributions and transfers) from you or any other person or entity authorized to any and all claims, liabilities and expenses which may arise from accepting instructions (including, but not limited to, instructions Certification. The provisions of this paragraph shall survive the termination of the account(s).
 - 3. agree to notify Morgan Stanley in writing of any change to your authority or the authority of any other person or entity authorized to act on behalf of the sole proprietorship, or any other event which could materially alter the representations made in this Certification.
 - Morgan Stanley may rely on the continued validity of this Certification indefinitely, absent actual receipt of such written notice. 4. agree to notify Morgan Stanley, in advance and in writing, if any other person or entity is given authority to act on behalf of the sole
- proprietorship. Morgan Stanley may rely on the continued validity of this Certification indefinitely, absent actual receipt of such written notice. agree that Morgan Stanley may apply this Certification to any accounts in the name of the sole proprietorship named above. You further agree that all of these terms, conditions, authorizations and representations shall apply to such additional accounts.

General Partnership Certification

The full name of the general partnership is:

above of which the undersigned are all the general partners ("the Partnership"), the general partners jointly and severally certify that, each In consideration of Morgan Stanley opening and maintaining an account in the name of the duly organized general partnership named general partner has the authority on behalf of the Partnership:

- 1. to buy, sell (including short sales) and otherwise deal in, through Morgan Stanley, stocks, bonds. equity options, debt commodities and commodity options, precious metals, mutual funds and other securities, on margin or otherwise;
- ents, purchase and sale notices, and other communications: 2. to receive demands, notices, confirmations, reports, account state:

 - 4. to botrow money from Morgan Stanley and its Affiliates and to secure payment thereof with property of the Patrnership: 3. to deposit and withdraw money, securities and property of every kind to and from the account(s);
- 5. to make agreements relating to any of the foregoing matters, or the account(s) generally, and to terminate, modify or waive any of the
 - 6. to deal with Morgan Stanley as fully and completely as if the account(s) were in the general partner's name alone.

The authority hereby conferred shall remain in force until written notice of its revocation is delivered to Morgan Stanley at the office servicing the account(s).

The general partners agree to jointly and severally indemnify Morgan Stanley, its subsidiaries, affiliates, successors, assigns and employees omission attributable to any general partner(s) or any claims, liabilities and expenses which may arise from continued reliance on this and to hold each of them harmless from any and all claims, liabilities and expenses which may arise from any action, instruction or Certification. The provisions of this paragraph shall survive the termination of either the Partnership or the acco

If Morgan Stanley receives conflicting instructions from two or more general partners, or reasonably believes instructions from one general pattnet might conflict with the intentions or interests of another general partner, Morgan Stanley may do any of the following: (a) choose which instructions to follow and which to disregard, (b) suspend all activity in the account until written instructions signed by all general partners are received; (c) close the account and send all funds, monies or other Property, net of debits or liabilities, to the address of Certification. Morgan Stanley may rely on the continued validity of this Certification indefinitely, absent actual receipt of such written notice any general partner, the addition of a new general partner, or any other event which could materially alter the representations made in this ient, withdrawal, or incompetency of The general partners agree to immediately notify Morgan Stanley, in writing, of the death, retirer 'ecord; and/or (d) take other action which Morgan Stanley deems appropriate. ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIETORSHIPS, CORPORATIONS AND UNINCOSPORATIED ASSOCIATIONS ACCOUNTS SOLE PROPRIET OR SOLE PROPRIE

PAGE 4 OF 9 NY CS 9175333 04/18 NAO

AAABUSD

PAGE 3 OF 9 NY CS 9175333 04/18

constitute an application for credit. ves the right to approve or deny the use of margin privileges at its discretion. This does

Our affiliace, Mengan Stanley, Investment Management ("MSIM"), serves as the investment advisor to the listed money marker mutual funds, Mongan Stanley receives revenued from EMSI Makes from the money in the serve half of pricing in these money marker mutual from Management of the Parties of the Parties of the serve of the serve half of the serve of the marks contained herein are the property of their respective

86/127

The general partners agree that Morgan Stanley retains the right to require joint action of all general partners and/or authorized persons with respect to any activity relating to the Partnership account(s) whenever such joint action is deemed necessary in Morgan Stanley's discretion.

named abowe. The general partners further agree that all of these terms, conditions, authorizations and representations shall apply to such The general partners agree that Morgan Stanley may apply this Certification to any accounts in the name of the general partnership

Limited Liability Entity Certification

The full legal name of the limited liability entity ("LLE") is:

which all the undersigned are managing member(s) or general partner(s), the managing member(s)/general partner(s) jointly and severally In consideration of Morgan Stanley opening and maintaining an account in the name of the above referenced duly organized LLE of certify that, each managing member/general partner designated herein has the authority on behalf of the LLE.

- 1. to buy, sell (including short sales) and otherwise deal in, through Morgan Stanley, stocks, bonds, equity options, debt options, odities and commodity options, precious metals, mutual funds and any other securities, on margin or otherwise;
 - 2. to receive demands, notices, confirmations, reports, account statements, purchase and sale notices, and other communications;

 - 3. to deposit and withdraw money, securities and property of every kind to and from the account(s);
- to make agreements relating to any of the foregoing matters, or the account(s) generally, and to terminate, modify or waive any of the 4. to borrow money from Morgan Stanley and/or its Affiliates and to secure payment thereof with property of the LLE; provisions of same; and
- to deal with Morgan Stanley as fully and completely as if the account(s) were in the managing member's/general partner's name alone.

subsidiaries, affiliates, successors, assigns and employees and hold each of them harmless from any and all claims, liabilities, and expenses which The managing member(s)/general parmer(s) on behalf of the LLE and individually agree to jointly and severally indemnify Morgan Stanley, its may arise from any action, instruction or omission attributable to any managing member(s)/general partner(s) or any and all claims, liabilities and expenses which may arise from continued reliance on this Certification. The provisions of this paragraph shall survive the termination of The authority hereby conferred shall remain in force until written notice of its revocation is delivered to Morgan Stanley at the office

partner, or any other event which could materially alter the representations made in this Certification. Morgan Stanley may rely on the retirement, withdrawal or incomperency of any managing member/general partner, the addition of a new managing member/general : managing member(s)/general partner(s) and/or the LLE agree to immediately notify Morgan Stanley, in writing, of the death, continued validity of this Certification indefinitely, absent actual receipt of such written notice.

either the LLE or the account(s).

instructions from one managing member/general parmer might conflict with the intentions or interess of another managing member/general partnet. Morgan Stanley may do any of the following. (a) choose which instructions to follow and which to disregard; (b) suspend all activity in the account until written instructions signed by all managing member(s)/general partner(s) are received; (c) close the account and send all funds, monies or other Property, net of debits or liabilities, to the address of record: and/or (d) take any other action which Morgan Stanley If Morgan Stanley receives conflicting instructions from two or more managing member(s)/general partner(s), or reasonably believes

member(s)/general partner(s) with respect to any activity relating to the account(s) whenever such joint action is deemed necessary in The managing member(s)/general partner(s) agree that Morgan Stanley retains the right to require joint action of all managing

the LLE listed above. The managing member(s)/general partner(s) further agree that all of these terms, conditions, authorizations and The managing member(s)/general partner(s) agree that Morgan Stanley may apply this Certification to any accounts in the name of representations shall apply to such additional accounts. ACCOUNT APPLICATION AND CLENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIETORSHIPS, CORPORATIONS AND UNINCORPORATIED ASSOCIATIONS ACCOUNTS.

PAGE 5 OF 9 NY CS 9175333 04/18 NAO

AAABUSD

Agreements and Signatures

By either signing below or attesting through forms of electronic attestation acceptable to Morgan Stanley, you acknowledge receipt of and agree to the terms of the Client Agreement and this application as well as other relevant disclosures contained in your account opening materials, which by this reference are incorporated herein. You further agree that:

- You understand and agree that incurring a margin debit balance may result in your securities being loaned to us or to others. You furthet understand and agree that if you have selected check writing and/or debit eard privileges, but have opted out of margin, a debit balance may nevertheless be established in your account(s) to cover check and/or debit card transactions (including, but not limited to, Margin Disclosure Statement is also available at: http://www.morganstanley.com/wealth-disclosures/pdf/Margin_Disclosure_Statement.pdf. Information booklet included with your account opening materials, which describe the risks associated with margin borrowing. The I. unless you have opted out of margin privileges, margin loans may be extended to you from time to time for purposes of purchasing securities or otherwise. Please see the section entitled Margin as well as the Margin Disclosure Statement in the Important Account funds transfers and debit card purchases) when there are insufficient Available Funds in your account(s).
 - check writing privileges, online bill payment services, electronic funds transfer capabilities and to issue debit cards as instructed by you. 2. If you have requested any Cash Management Services, you also agree to the terms of the relevant disclosures contained in your account opening materials, this application and any other agreements that govern those services and authorize Morgan Stanley to establish
 - 3. your account(s) is also governed by the terms and conditions applicable to any ancillary services you have elected to receive and/or any applicable terms in the Client Agreement, other relevant disclosures contained in your account opening materials. this application and other agreements you may have with Morgan Stanley or other providers of services related to your account(s). You agree that if you decline to participate in any services offered by Morgan Stanley at this time, but elect to do so in the future, you will be bound by the any other agreements relating to such service(s) upon making such election(s).
 - you provide relating to any such additional accounts, the terms of the Client Agreement, other relevant disclosures contained in your among other things, establish additional Active Assets Accounts for you. You understand and agree that, subject to any information 4. Morgan Stanley may use this application and any certifications in connection herewith, including certain authorization forms, to, erials, this application, any certifications in connection herewith and any other agreements relating to such services at that time, shall apply to any such additional accounts.
- Consact Authorization does not constitute a trading authorization or power of attorney and does not authorize your Trusted Contact(s) holder of a power of attorney or as otherwise permitted by the Rules of FINRA. You may add, remove and/or change any or all of your will rely on your agreement to promptly notify us of any changes to your Trusted Contact(s). You further acknowledge that the Trusted provided will be confirmed to you in writing. You understand and agree that your Trusted Contact(s) must be 18 years of age or older. 5. if you have provided one or more Trusted Contact(s) in the Trusted Contact Authorization section of this application, the information your Trusted Contact(s) and disclose information about you and/or your account(s) in order to address possible financial exploitation. You further understand and agree that we may, but are not obligated, unless required by applicable law, regulation or rule, to contact confirm the specifies of your current contact information, health status, and/or the identity of any legal guardian, executor, trustee or Trusted Contacts at any time by contacting the Morgan Stanley team servicing your account(s). You acknowledge and agree that we to make any decisions on your behalf regarding your account(s), including, but not limited to, making changes to your beneficiary
- 6. you represent that you are fully capable of understanding the English language. You agree that English is the governing language for ents and services provided by Morgan Stanley. You understand that we will rely material is provided to you by Morgan Stanley in a language other than English, you agree that such material is meant as a courtesy on this as a material representation in agreeing to open and maintain your account(s). If necessary, you agree to consult your own independent professional to assist you in understanding any material provided to you. If any document, com all of your accounts as well as all agreements, docum translation only and is not binding.

ACCOUNT APPLICATION AND CLENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIETIONSHIPS, CORPORATIONS AND UNINCORPORATIED ASSOCIATIONS ACCOUNTS

PAGE 6 0 F 9 NY CS 9175333 04/18 NAO

AAABUSD

87/127

7. if you. or any other account owner, or authorized person on your account(s) is, or has been, a "Politically Exposed Person" ("PEP"), or is a corporation, business or entity that is closely aligned with a PEP such that it is subject to due diligence as a PEP ("PEP Entity"), you confirm that you have disclosed this fact to Morgan Senick and have provided the necessary information required by law to transactions (i) with, involving or for the benefit of, any Sanctioned Person (excluding legally permissible transactions in debt or equity issued by an entity designated on OFAC's Sectoral Sanctions Identifications List), or (ii) in any other manner that would cause either open and/or to service your account(s). You also agree that you will not use your account(s), or permit them to be used, for any you or Morgan Stanley to violate any Sanctions.9

Additional certifications for clients who are not U.S. Persons¹⁰

- 3y either signing below or attesting through forms of electronic attestation acceptable to Morgan Stanley, you certify that:
- Morgan Stanley by you or any individual related to your account(s) are current, true and accurate. You agree to notify Morgan Stanley . you are not a U.S. Petson. You affirm, as applicable, that any photocopies of a passport or national identity card provided to immediately in the event you become a U.S. Person.
- in Regulation S of the Securities Act of 1933, and that you were not in the United States at the time you signed this application, and Mutual Fund ("SICAV Money Market Mutual Fund") will be your default sweep investment if you are not a U.S. Person as defined you were not solicited to select the SICAV Money Market Mutual Fund while you were in the United States. You further agree that b. if you are incligible to participate in the Bank Deposit Program, the SICAV U.S. Dollar Liquidity Fund Offshore Money Market Morgan Stanley is authorized to sweep any free credit balances in your account(s) into the SICAV Money Market Mutual Fund.
 - c. you have specifically requested investment services from Morgan Stanley of your own volition and you have requested that Morgan Stanley provide advice to you on a continuing basis.
- d. you will use your account(s) solely for lawful purposes and will comply with all applicable laws, regulations and rules regarding taxation, exchange and capital controls, and reporting and filing requirements.

THIS SECTION INTENTIONALLY LEFT BLANK

A Politically Exposed Person or PEP is a current or former prominent public figure, an immediate family member of a prominent public figure or a known close associate on a prominent public figure for a handing because the prominent public figure as a natural person currently or formerly extravely with a scale; public role or function (e.g., a senior official in the executive, legistative, military, administrative, or judicial brackets of government). Introduce many many markets include the sponselyment public figure. Known close associates include those individual that are widely and publicly brown to ministrat a destance of the prominent public figure. Known close associates include those individual that are widely and publicly brown to ministrat a destance in the prominent public figure and our include aspose in a specially was definent relatives, advisors, employees, and business representatives lagents.

A PEP Entiry is any composition, business or even entiry that (I) has a prominent public figure exercites a conal or effective control over the entiry).

"Socretion" mean economic or financial structions or restrictive measures or rade embayes imposed, administored or enforced from time to nime by any of the following susceions and which seeks to Represent Galdulig without liniarism for Office of Proceed Assets Assets (PAC) of the USA Department of Teatury and the US. Permanent of Study Med. United Studies are surprised to the Comed of the Eumory and the US. Permanent of Study Med. Studies are surprised to the Comed of the Eumory and Proceed are surprised to the Office of Financial Studies in Proceedings of the Comed of the Usine Kingshooth, Studies are sure (Incheduling without limitation the Office of Financial Studies) are surprised to the Studies of Proceedings are surprised to the Comed of Teatury and Teatury are surprised to the Comed of Teatury and Teatury are surprised to the Comed of Teatury and Teatury are surprised to the Comed of Teatury and Teatury are surprised to the Comed of Teatury and Teatury are surprised to the Studies of Teatury or Class Preson correlled by any such Person. "Studies Country" # A "US, Person" means any U.S. Person as defined in Regulation 5 under the U.S. Securities Act of 1933, as amended.

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIET ASSOCIATIONS ACCOUNTS SOLE PROPRIET DRIVING CORPORATIONS AND LINICORPORATED ASSOCIATIONS ACCOUNTS.

NAO AAABUSD

PAGE 7 0F 9 NY CS 9175333 04/18

Client Acknowledgement

If you are not a U.S. person for U.S. federal tax purposes, your signature below does not constitute a certification to the Substitute Form W-9. Non-U.S. persons must file the appropriate Form W-8 which will be provided to you separately. Morgan Strailey may be required by law to withhold a percentage of dividends, interest and gross proceeds of sales of securities for any account for which a Form W-9 or appropriate W-8 is not on file with Morgan Stanley.

DATE (MANDDATYYY) DATE (MANDDATYYY) DATE (MANDDATYYY) DATE (MANDDATYYY) DATE (MANDDATYYY) AABEUSY (C4/2018) NATED ASSOCIATIONS ACOUNTS AABEUSY (C4/2018)	SIGNATURE SSN DATE (MANDDRYNY) SIGNATURE SSN DATE (MANDDRYNY) SIGNATURE SSN DATE (MANDDRYNY) SIGNATURE SSN DATE (MANDDRYNY) SOLE PROPRIETORSHIPS, CORPORATIONS AND UNINCORPORATED ASSOCIATIONS ACCOUNTS SOLE PROPRIETORSHIPS, CORPORATIONS AND UNINCORPORATED ASSOCIATIONS ACCOUNTS AAABUSD (04/2018) WC SS 91/3333 04/18	SIGNATURE SIGNATURE SIGNATURE SIGNATURE OUNT APPLICATION AND CL. SOLE PROPRIETORSHIPS		AUTHORIZED INDO AUTHORIZED INDO AUTHORIZED INDO AUTHORIZED INDO AUTHORIZED INDO
DATE (MM/DD/YYYY) DATE (MM/DD/YYYY)	NSS	SIGNATURE	AUTHORIZED INDIVIDUAL (PRINT NAME) AUTHORIZED INDIVIDUAL (PRINT NAME)	AUTHORIZED INDIV
DATE (MM/DD//YYYY)	NSS	SIGNATURE	AUTHORIZED INDIVIDUAL (PRINT NAME)	AUTHORIZED INDI
s not require your consent preement other than the tckup withholding set	The Internal Revenue Service does not require your consent to any provision of this Client Agreement other than the certifications required to avoid backup withholding set forth above.		Your account(s) at Morgan Stanley are governed by a predispute arbitration clause (starting on page 5, section 15 of the attached Client Agreement). You acknowledge that you have received a copy of the Client Agreement, including the predispute arbitration clause.	Your accoun predispute a of the attach you have rec the predispu
пу)	Exemption from FATCA reporting code (if any) see page 9 for codes	Exemption from FA See page 9 for codes	code (if any)	Exempt payee code (if any) See page 9 for codes
cation (check one): r single-member LLC that Lamited Partnership) Entity or Other Organization C Corporation (includes incorporated non-profit) Entity (enter the tax classification below) S = S Corporation, P = Partnership):	.4 0 40 4 50 4	2	NAME OF ENTITY TAX IDENTIFICATION NUMBER Legal Address of the Entity: LEGAL BUSINESS STREET ADORESS ICANNOT BE PO BOX OTY, STATE AND ZEP OR POSTAL CODE (AND COUNTRY IF GUISDE THE US) OTY, STATE AND ZEP OR POSTAL CODE (AND COUNTRY IF GUISDE THE US)	NAME OF ENTITY Legal Address LEGAL BUSINESS COTY, STATE AND Z
U HAVE BEEN NOTIFIED YOU HAVE FAILED TO	EM NUMBER 2 ABOVE IF YOU P WITHHOLDING BECAUSE JRN.	AUST CROSS OUT ITE SUBJECT TO BACKUI S ON YOUR TAX RETT	CERTIFICATION INSTRUCTIONS: YOU MUST CROSS OUT ITEM NUMBER 2 ABOVE IF YOU HAVE BEEN NOTHEIED BY THE IRS THAT YOU ARE CURRENTLY SUBJECT TO BACKUP WITHHOLDING BECAUSE YOU HAVE FAILED TO REPORT ALL INTEREST AND DIVIDENDS ON YOUR TAX RETURN.	CERTIFICA BY THE IRS REPORT AI
ber to be issued to you); and holding as a result of a	nber (or you are waiting for a num hat you are subject to backup wit vithholding, and	xpayer Identification Nun Scause: or Revenue Service (IRS) ti or or onger subject to backup v	 The number provided herein is your correct Taxpayer Identification Number (or you are waiting for a number to be issued to you); and You are completed to backup withholding because: You are exempt from backup withholding. You are exempt from backup withholding. You have not been notified by the Internal Revenue Service (IRS) that you are subject to backup withholding as a result of a failure to report all interest and dividends, or The IRS has notified you tax to othough subject to backup withholding; and You are a U.S. person (including a U.S. resident alien). 	1. The numb 2. You are n a. You are b. You ha failure c. The IR
	d Certification	entification Number an	Tax Certification and Signatures Substitute Rorm W-9; Request for Taxpayer Identification Number and Certification Under penalties of perjury, you certify that:	Tax Certific Substitute F Under penal

Exempt Payee Codes and Exemption from FATCA Reporting Codes

Exempt payee code. Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.

Note: If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding. The following codes identify payees that are exempt from backup withholding.

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

- 2—The United States or any of its agencies or instrumentalities 3—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities 5-A corporation
- 7 A futures commission merchant registered with the Commodity Futures Trading Comm the United States
- 5—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of
- 8—A real estate investment trust 9—An entity registered at all times during the tax year under the Investment Company Act of 1940 10—A common trust fund operated by a bank under section 584(a)
- 12—A middleman known in the investment community as a nomince or custodian

13—A trust exempt from tax under section 664 or described in section 4947

Exemption from EATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements.

- -An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)
- B—The United States or any of its agencies or instrumentalities IC—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumental ID—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg.
 - section 1.1472-1(c)(1)(i)
- E—A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(i)
 F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state
- - -A real estate investment trust
- H—A regulared investment company as defined in section 851 or an entity registered at all times during the tax year under the Investment Company Act of 1940

 I—A common trust fund as defined in section 584(a)

 I—A bank as defined in section 581
- L—A trust exempt from tax under section 664 or described in section 4947(a)(1)K-A broker
 - M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

\$2018 Morgan Stanley Smith Barney LLC. Member SIPC.

Morgan Stanley

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIETORSHIPS, CORPORATIONS AND LINIUCORPORATIED ASSOCIATIONS ACCOUNTS.

NAO

AAABUSD

PAGE 9 OF 9 NY CS 9175333 04/18



Action

Item

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Executive Management Jeff McBride, CEO Joyce Kirchhofer, CFO

RECOMMENDATION:

The Board of Directors approves the resolution required by Morgan Stanley to open an account for the transfer of campership funds from Pomona Valley YMCA.

REASON FOR ACTION:

YMCA of Orange County through asset transfer agreement is acquiring all assets of Pomona Valley YMCA. Pomona Valley YMCA has a Morgan Stanley account specifically for campership funds. To transfer the final assets the YMCA of Orange County needs to open an account with Morgan Stanley to transfer said funds.

FINANCIAL IMPACT AND FUNDING SOURCE:

Funds being transferred \$23,312 as of statement dated April 30, 2018



-	For Internal Use	e Only	P NO CHARLES THE MAN THE CONTROL OF
	Branch No.	Account No.	Financial Advisor No.
-		Lawrence de la constitución de l	L

Morgan Stanley

Authorized Persons and Resolutions for Corpora			
In consideration of Morgan Stanley Smith Barney LLO named below, I, the undersigned duly authorized office	C ("MSSB") opening and/or main	-	ounts for the corporation
1. General Information			
The full legal name of the corporation (the "Corporation of Corporation of Corpor	on") to which this document applied Sociation STATE OF INCORPO	ies is: RATION OR NON-U.S. JURISDIC	TION
MSSB is hereby authorized to accept investment instruction individuals listed below ("Authorized Persons"). These por securities) and transfers by check or otherwise to anyone	rivileges include, but are not limited	to, the authority to mak	te distributions (e.g., of cash
If MSSB receives conflicting instructions from different might conflict with the wishes of another Authorized I and which to disregard; (b) suspend all activity in the action deemed necessary to protect the interests of MS	Person, MSSB may do any of the fo account until written instructions s r property, net of debits or liabilitio	ollowing: (a) choose which signed by all Authorized	ch instructions to follow Persons are received;
(ALL AUTHORIZED PERSONS MUST COMPLE		ALSO SIGNING ON B	EHALF OF THE
CORPORATION AT THE END OF THIS DOCUMENT	MENT.)		
NAME NAME	PRIMARY RESIDENCE: ADDRESS		
SIGNATURE	SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE
Joyce Kirchhofer	PRIMARY RESIDENCE: ADDRESS		
SIGNATURE	SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE
NAME	PRIMARY RESIDENCE: ADDRESS		
SIGNATURE	SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE
NAME	PRIMARY RESIDENCE: ADDRESS		
SIGNATURE	SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE



For Internal Us	e Only	CONTINUE CONTINUES, IN A PROCESSION TO I A SHARE SHARE SHARE SHARE SHE SHE SHARE SHARE SHARE SHARE SHE SHARE S
Branch No.	Account No.	Financial Advisor No.
L	i and a selection of the selection of th	hammen and the second

3. Enabling Resolutions

The following is a full, true and correct copy of Resolutions duly and regularly adopted by vote of the Board of Directors of the Corporation. Such Resolutions have not been rescinded or modified and are in full force and effect.

RESOLVED:

FIRST, that the Authorized Persons are, and each of them hereby is, authorized and empowered to the fullest extent possible, to act on behalf of the Corporation, to establish and maintain with MSSB one or more cash accounts, margin accounts, BusinesScape accounts, commodities accounts, or any other type of account offered by MSSB and its applicable affiliates ("Account"), for the purpose of purchasing, investing in, or otherwise acquiring, selling (including short selling), possessing, transferring, exchanging, borrowing, pledging or otherwise disposing of, and generally dealing in and with, cash and any and all forms of securities and financial instruments, including, but not limited to shares, stocks, bonds, debentures, notes, scrip, participation certificates, rights to subscribe, options, warrants, futures, commodities, commodity futures and/or options on futures, certificates of deposits, mortgages, evidence of indebtedness, commercial paper, and interests of any and every kind and nature whatsoever, secured and unsecured, whether represented by trust, participating and/or other certificates or otherwise.

SECOND, that, without obligation on MSSB's part to inquire, instructions or actions, by any Authorized Person shall individually have the fullest authority on behalf of the Corporation with respect to the Account including, but not limited to, authority to:

- 1) give written or oral instructions to MSSB with respect to any securities in, or transaction or service offered in connection with, the Account;
- 2) deposit or withdraw money, securities and other property of the Corporation to and from the Account;
- 3) borrow money from MSSB and secure payment thereof with the property of the Corporation;
- 4) bind the Corporation to any contract, arrangement or transaction, which shall be entered into by any Authorized Person with or through MSSB;
- 5) make payments related to the Account by checks and/or drafts drawn upon the funds of the Corporation;
- 6) endorse any securities in order to pass ownership thereof or for any other purpose;
- 7) direct the sale or exercise of any rights with respect to securities therein;
- 8) sign releases and powers of attorney and enter into contracts and agreements, including but not limited to any MSSB account agreements and documentation relating to any debit or credit card, the checkwriting privilege, online services, electronic fund transfers and other services which are or may be offered in connection with the Account (where available), as such documents may be modified from time to time, and any documentation permitted or contemplated by such agreements, products and services, and to affix the corporate seal to same when necessary;
- 9) direct MSSB to surrender securities to the proper agent or party for the purpose of effecting any exchange or conversion, or otherwise; and 10) take any and all action action in connection with the Account deemed necessary or desirable by any Authorized Person.

THIRD, that any Authorized Person may appoint any person(s) ("Designated Persons") to: (1) conduct trading in the Account; (2) endorse any securities, or to make, execute and deliver, under the corporate seal of the Corporation or otherwise, any instrument of assignment and/or transfer necessary or proper to pass title to such securities; (3) sign checks (in which event, the signature of the Designated Person shall promptly be provided on any applicable signature card upon request by MSSB); (4) use any associated debit or credit card (where available); or (5) provide instructions to effect electronic fund transfers.

FOURTH, that each Authorized Person is empowered and authorized to do all things each deems necessary or desirable to implement the foregoing Resolutions.

FIFTH, that MSSB may deal with any and all of the persons directly or indirectly empowered by foregoing Resolutions as though they are dealing with the Corporation directly.

AUTHORIZED PERSONS AND ENABLING RESOLUTIONS FOR CORPORATIONS (12/2014) NNAAAER

For Internal Use	e Only	
Branch No.	Account No.	Financial Advisor No.
	Land has been advantaged	t

SIXTH, that the Secretary of Corporation (or other duly designated officer) is hereby authorized and empowered to certify to MSSB, under the seal of the Corporation or otherwise:

- (a) a true, correct and complete copy of these Resolutions;
- (b) specimen signatures of each Authorized Person and each Designated Person empowered by these Resolutions, if so requested by MSSB;
- (c) a certificate (which, if required by MSSB, shall be supported by an opinion of the general counsel of the Corporation, or other counsel satisfactory to MSSB) that the Corporation is duly organized and in good standing, that the corporate charter authorizes the action or business described in these Resolutions, and that no limitation has been imposed upon such powers by constitution, statute, regulation, charter, by-law or otherwise.

SEVENTH, that MSSB may rely upon any certification given in accordance with these Resolutions as continuing fully effective unless and until MSSB shall receive due written notice of an amendment, modification or rescission of such Resolutions or certification. Further resolved that MSSB shall not be liable for any action taken or not taken upon instruction of any Authorized Person or Designated Person prior to MSSB's actual receipt of written notice of the termination or impairment of such person's authority. The failure to supply any specimen signature shall not invalidate any transaction which is in accordance with authority previously granted. Further resolved that the Corporation shall indemnify and hold harmless MSSB and any of its subsidiaries and affiliates from any and all claims that a transaction was unauthorized or outside the scope of the Corporation's powers, if such transaction was authorized by any of the Authorized Persons or Designated Persons.

EIGHTH, that in the event of any change in the office or powers of persons hereby empowered, the secretary (or other duly designated officer), shall certify such changes to MSSB, in writing, which certification, when MSSB receives it, shall terminate the powers of the persons previously authorized and empower the persons thereby substituted in accordance with all the provisions of these Corporate Resolutions.

NINTH, that the Corporation hereby authorizes MSSB to charge any amount due to MSSB under any arrangement with the Corporation, against any or all of the accounts and other property of the Corporation held with MSSB or any of its affiliates, with the Corporation remaining liable for any deficiency and each Authorized Person or Designated Person is authorized and directed to pay to MSSB by checks and/or drafts drawn upon the funds of the Corporation such sums as may be necessary to discharge the Corporation's obligations to MSSB.

TENTH, Corporation agrees that MSSB may apply these Resolutions to any accounts in the name of the Corporation.

The following three (3) resolutions are applicable only to Native American Tribes:

ELEVENTH, that Section 15 of the Client Agreement is modified to include the following language: The Tribe agrees:

- (a) that binding arbitration shall be the exclusive formal remedy for all disputes, controversies or claims between the Tribe and MSSB, including its agents, assigns or Affiliates (collectively, "MSSB"), as further described in Section 15 of the Client Agreement;
- (b) that such arbitration shall provide final and binding resolution of any dispute between the parties;
- (c) that the Tribe expressly and irrevocably waives its immunity from suit as well as its rights to seek or exhaust tribal remedies and that the waiver granted herein includes the arbitration of disputes as contemplated by Section 15 of the Client Agreement, as well as any actions in any court of competent jurisdiction to compel arbitration and to enforce an arbitration award;
- (d) that the waivers of sovereign immunity and of the right to demand exhaustion of tribal remedies shall survive the expiration, termination or cancellation of the Client Agreement; and
- (e) that, if enforcement of an arbitration award or a judicial order becomes necessary by reason of failure of one or both parties to voluntarily comply, the Tribe waives its sovereign immunity from any final judgment or order of a court of competent jurisdiction enforcing an arbitration award.

AUTHORIZED PERSONS AND ENABLING RESOLUTIONS FOR CORPORATIONS (12/2014) NNAAAER

For Internal Us	e Only	
Branch No.	Account No.	Financial Advisor No.
		han and an anadar and

TWELFTH, that the Tribe certifies that none of the monies, securities, funds or other property invested or to be invested by the Tribe in accordance with the Client Agreement and this resolution, or paid or to be paid to MSSB in accordance with the Client Agreement and this resolution, constitute (a) funds held by the United States in trust for the Tribe or for members of the Tribe, or (b) funds obtained by the Tribe from the United States of America or any State government or agency for the purpose of carrying out projects or programs specified by the United States of America or any State government or agency, other than funds received by the Tribe, pursuant to one or more guarantee contracts with the United States Department of Housing and Urban Development ("HUD"), for the purpose of funding affordable housing activities under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.).

THIRTEENTH, that the Tribe certifies, to the extent the Tribe is investing funds that are part of a tribal trust fund for minor members of the Tribe or subject to the requirements of a tribal trust fund or a HUD depository agreement, that investment instructions provided by the Tribe to MSSB with respect to such funds will comply with all legal requirements applicable to such funds.

4. Certification of the Duly Authorized Officer of the Corporation

I hereby certify that I am the Duly Authorized Officer of the Corporation named above, a corporation duly organized and existing under the laws of the State of Incorporation or other non-U.S. jurisdiction, that the Corporation is in good standing and qualified to do business in this state or other non-U.S. jurisdiction. I further certify that the Resolutions herein are a true, correct and complete copy of Resolutions duly adopted at a meeting of the Board of Directors of the Corporation held on the date specified below, at which meeting a quorum was present and voting; that such Resolutions are in accordance with the charter and by-laws of the Corporation, are in full force and effect and have not been amended, modified or rescinded.

IN WITNESS WHEREOF, I have hereunto affixed my hand (and the seal of the Corporation).

PRINT NAME OF DULY AUTHORIZED OFFICER

DATE (MM/DD/YYYY)

DATE OF MEETING OF BOARD OF DIRECTORS

5. Authority of the Corporate Duly Authorized Officer

The Corporation certifies that the Corporate Duly Authorized Officer, whose name appears above in the Certification, has been duly elected to and now holds that office and that the signature appearing opposite his or her name is his or her true signature.

PRINT NAME OF CERTIFYING PARTY

DATE (MM/DD/YYYY)

DATE (MM/DD/YYYY)

© 2014 Morgan Stanley Smith Barney LLC. Member SIPC.



AUTHORIZED PERSONS AND ENABLING RESOLUTIONS FOR CORPORATIONS (12/2014) NNAAAER

NNAAAER

NAO

PAGE 4 OF 4 NY CS 8060860 12/14



Action

Item

Approval of Opening Morgan Stanley Account

Re: Transfer of Charitable Remainder Trust

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Executive Management Jeff McBride, CEO Joyce Kirchhofer, CFO

RECOMMENDATION:

The Board of Directors approves opening an account with Morgan Stanley for a Charitable Remainder Trust account to transfer Carr Family C.R.T. from Pomona Valley YMCA to YMCA of Orange County.

REASON FOR ACTION:

YMCA of Orange County through asset transfer agreement is acquiring all assets of Pomona Valley YMCA. Pomona Valley YMCA has a Morgan Stanley account specifically for Carr Family C.R.T. To transfer the final assets the YMCA of Orange County needs to open an account with Morgan Stanley to transfer said funds.

FINANCIAL IMPACT AND FUNDING SOURCE:

Funds being transferred \$77,416 as of statement dated April 30, 2018



To open C. R. T. Account

Morgan Stanley

	Financial Advisor No.
--	-----------------------

Account Application and Client Agreement

For Trust Accounts

To ensure prompt processing of your account(s):

- 1. Please provide the requested information on page 2 in the Trustee Certification and Trust Account Agreement.
 - 2. Please provide the requested information and make the requested elections on pages 5-7
 - 3. Provide or verify the Trust's Tax Identification Number ("TIN") and the legal address of the Trust on page 10.
- The Grantor's Social Security Number ("SSN") should only be used if the Trust does not have a separate and distinct TIN. 4. If applicable, enter the Exempt payee code and/or FATCA reporting code on page 10 (see page 11 for exempt codes).
 - 5. All trustees must sign, date and provide or verify their SSN where designated on page 10.
- 6. Please return pages 1-11, starting with this page. Please retain the attached Client Agreement for your records.

Important Information About This Application

opening materials and in this application. Each trustee must also attest to the tax certification, and provide or verify the Trust's TIN and Morgan Stanley Smith Barney LLC ("Morgan Stanley")! Client Agreement ("Client Agreement"), 2 the Trustee Certification and Trust Account Agreement, any ancillary services you have elected to receive, and any relevant disclosures that are contained in your account or verify their SSN. If you transmit an executed copy of the Client Agreement or other required documentation by facsimile, portable document format ("PDF") or by any other electronic method approved by Morgan Stanley, you agree to be bound by such To open and maintain your account(s), each trustee must acknowledge receipt of and agree to the terms and conditions of the electronic versions provide (

Account Linking Service

to an Account Link Group, you will see a message on your account statement advising you that the new account will be added during the no charge for this service. Afrer an account has been identified as eligible for automatic Account Linking, but before the account is added Advisor, and SSN(s) or TIN(s) ("Account Link Group") will be subject to Morgan Stanley's automatic Account Linking Service. There is To minimize the number of separate mailings you receive, we offer an automatic Account Linking Service. Our Account Linking Service following statement cycle. Upon receipt of your next account statement, all cligible linked account statements will be consolidated into a single envelope. If you do not wish to take advantage of the automatic Account Linking Service you may opt-out of this service by format, with a summary page showing the value of each linked account. Accounts with the same mailing address, branch, Financial allows you to receive multiple account statements and other important information together in a single envelope, in a consolidated contacting the Morgan Stanley team servicing your account(s).

inderstand that if you link your account(s) with account(s) owned by others, your personal and financial information will be provided to such You may request to add accounts to an Account Link Group that have different SSNs or TINs, provided all other eligibility rules are mer. You other account owner(s) by virtue of being included in an Account Link Group. With Account Linking, your consolidated statement can be tecessed online through a single Morgan Stanley Online sign-on if you are an owner, or are authorized to view or transact on an account.

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATRST

PAGE 1 OF 11 NY CS 9175348 04/18

Trustee Certification and Trust Account Agreement

.8.
.e
ם
5
=
-8
29
ÿ
Η
ರ
S
this
-5
6
7
rust
Trus
the
Ť
õ
itle
Ţ.
he fi
F
_:

07/1997	Will of Susan Jones Dated 08/06/1999
d 12/0	r the V
Date	Unde
Trust	Trust
Jone,	Jones
Mary	lliam
of the	ne Wi
tees (of th
-Trus	ustees
'n, C	es, Tr
Smit	/ Jon
Sam	Маг
and	and
Jones	Jones
John	John
Example:	Example:

- 2. The date of the governing Trust or Will is:
- 3. The Grantor(s)/Trustor(s) of the Trust is/are:

4. Is the Trust revocable by the Grantor(s): As No

In consideration of Morgan Stanley Smith Barney LLC ("MSSB") opening and/or maintaining an Account for the Trust described above (the "Trust Account"), you, the undersigned Trustees certify, represent and warrant to MSSB that you have read, understand and agree to the following terms and you further certify, represent and warrant that the Trust is in full force and effect, that the representations made herein are accurate, and that the below information is true and complete.

You represent that the Trust was validly created and that the signatories herein are the only Trustees of the Trust. If only one individual is named, you agree that MSSB may assume that the individual is the sole Trustee, and, where applicable, plural references herein shall be deemed to be singular.

The Trustees are authorized to give orders and instructions to MSSB on behalf of the Trust (including orders to buy, sell, hold, transfer, or distribute securities and to disburse or receive money) and to execute any documents necessary to open or maintain an account or accounts for the Trust.

concerning the Trust account). You agree that if you intend to name a delegate other than a Trustee that you have the power to do so and Any one Trustee may independently exercise any of the powers certified to herein and may individually act on behalf of and bind the Trust, as well as execute any documents on behalf of the Trust that MSSB requires (including an agreement to arbitrate all disputes that you will execute MSSB's discretionary documentation or provide MSSB with alternative documentation acceptable to MSSB.

securities and other property, net of debits or liabilities, to the address of record; and/or (d) take other legal action. You agree that MSSB retains the right to require joint action of all Trustees and/or authorized persons with respect to any activity relating to the Trust Account with the wishes of another Trustee, MSSB may do any of the following: (a) choose which instructions to follow and which to disregard; (b) suspend all activity in the account until written instructions signed by all Trustees are received; (c) close the account and deliver all If MSSB receives conflicting instructions from different Trustees, or reasonably believes instructions from one Trustee might conflict whenever such joint action may be deemed necessary in MSSB's sole discretion.

1. Representations

Trust. You also recognize that you are solely responsible for ensuring that all orders, instructions and transactions that the Trust enters into or all substantive laws that govern or apply to the Operative Document ("Governing Law"), can limit your authority with respect to the are permitted by the Operative Document and its Governing Law. Accordingly, you represent and warrant (which representations and You recognize that the Trust, will or other document by which the Trust referenced above was created ("Operative Document"), and/ warranties shall continue during the term of this Agreement), that:

- (a) You are the duly appointed and acting current Trustee(s) of the Trust and are familiar with the terms of the Operative Document and its Governing Law;
- (b) You have authority under the Operative Document and Governing Law to enter into and perform the obligations set forth herein and in the Client Agreement;
- You have the power under the Operative Document and Governing Law to give MSSB valid orders and other instructions relative to the Trust Account as certified herein, and all such orders and instructions are and shall be binding on the Trust.

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATRST

NAO

PAGE 2 OF 11 NY CS 9175348 04/18

Morgan Stanley Smith Barney LLC is a registered broker-dealter not a bank. Where appropriate, we have entered into atrangements with licensed banks and other through parties of solded Leurency into deposits and the bank parties in offening entering school. One should be a shad elsend certificates of edposit to though a display challed Leurency into deposits and the Bank Deposit Program are insured by the FDIC up to applicable limits. All other investment produces are not FDIC insured, are not a deposit or other obligation of a depository institution, and are not guaranteed by a depository institution. Not further understand that all other investment products are subject to investment risks. a depository institution, and are not guaranteed by a depositording the possible loss of the principal amount investe

The Client Agreement sets forth the terms and conditions applicable to your account(s) and, together with the Important Account Information booklet and any other account opening the opening information and online deflowance, profess important information about account services and fees. Also included in your account opening materials is a Margin Dackount Statement and a copy of our U.S. Privacy, Policy. The account(s) you are opening it as howledges account, which is not regulated by the Investment Advisors Act of 1940, as amended. Certain services may not be available in jurisdictions outside the United Strucs.

98/127

- (d) The Operative Document and Governing Law authorize you to make distributions/transfers from the Trust by check, electronic funds transfer, Debit or other Cards (if issued) or otherwise, to yourselves, the beneficiaries and others as you may direct, and MSSB shall have no responsibility to ensure the proper application of trust funds, securities or other assets by any Trustee;
 - (e) To the extent that any order, instruction or transaction hereunder, including usage of checks, a Debit or other Card, requires a delegation of your fiduciary authority to act on behalf of and bind the Trust with third parties, you are fully empowered to make such delegation under the Operative Document and Governing Law, and have undertaken all acts necessary for such delegation to be effective;
 - consequences, and that you will consult as necessary with qualified professionals to identify and evaluate any such consequences. You acknowledge that additions and/or distributions from the Trust Account may carry income, gift, estate and/or generation-skipping transfer tax consequences. You also acknowledge that issuance of a Debit or other Card may provide certain holders thereof with a You are solely responsible for any and all tax consequences of any kind and nature related to any order, instruction or transaction as certified herein. You acknowledge that each order, instruction or transaction may earry international, federal, state or local tax 'general power of appointment" over the Trust Account for U.S. tax purposes;
- the accuracy of the information provided in connection with the opening and maintenance of the Account, including changes in the identity of the Trustees and the persons authorized to act on behalf of the Trust. MSSB may rely on the information provided by you (g) You will immediately notify MSSB, in writing, if there are any amendments to the Operative Document that would affect or alter and the representations and warranties contained herein until it receives such written notice signed by all of the Trustees;
- You agree to provide MSSB with a copy of the first and last page of the Operative Document to evidence the formation of the Trust and, upon request, with a copy of the entire Operative Document; and (F)
 - These representations and warranties and the Client Agreement, represent a valid, legal and binding obligation of the Trust, enforceable against the Trust according to its/their terms. Ξ

2. Certification That All Investment Transactions and Instructions Are Permitted by the Operative Document

instruction that you will give to MSSB to purchase or sell any security, option, commodity or other investment products, to pursue any nereby expressly agree that MSSB shall assume that any instruction that you give with respect to the Trust is duly authorized under the Operative Document and Governing Law, including (without limitation) with respect to transactions involving any of the following: particular investment strategy, including the use of margin or to accept such instructions from a third-party delegate. As a result, you You hereby certify that neither the Operative Document nor Governing Law place any restriction or limitation with respect to any

- Corporate Equity Securities
 - Corporate Debt
- Municipal Securities
- · U.S. Agency Securities

Mutual Funds

- U.S. Government Securities
- Non-Traditional Investments (including hedge funds, funds of funds, private equity, venture capital or other collective investments or funds)
- Insurance and Annuities
- · Margin Transactions (including short sales and non-purpose loans)
- · Options Transactions (including uncovered positions, spreads and straddles)
- · Commodities and Futures Transactions
- · Hiring of investment advisers and the delegation of investment discretion to third parties including MSSB or other investment advisers recommended by MSSB

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATRST

NAO

AACATRST

investment of Trust assets is consistent with the complete discharge of your fiduciary duties. You certify that MSSB shall have no obligation under the Operative Document or Governing Law to make any inquiry into your authority or the reasonableness or appropriateness of any including without limitation any duties to control investment risk or to diversify investments, that apply under the Operative Document or Governing Law. You therefore agree that MSSB shall assume that any instruction, action or inaction on your part with respect to the You hereby certify that you will undertake, and accept sole responsibility for all duties with respect to the investment of Trust assets, direction, instruction, action or non-action given or taken by you.

3. Indemnification

expenses, including attorneys' fees for effecting transactions or instructions of the types specified herein or, where applicable, arising out of or in connection with the improper use of the account by any Trustee or delegate including any related check writing. Debit or other indemnification shall survive the termination of the Trust Account or your agreements herein and in the Client Agreement, and shall be Card transactions, electronic funds transfer and other privileges or otherwise relying on your representations and warranties herein and in the Client Agreement. You shall be jointly and severally liable for performing the obligations stated herein. Such obligations and this You, individually and on behalf of the Trust, hereby agree to indemnify and hold harmless MSSB against any and all liabilities and binding upon all heirs, beneficiaries, successors or assigns.

party from and against all claims that may arise against such transfer agent or other third party by reason of such third party having relied the powers and authorities herein delineated shall be ineffective as to such transfer agent or third party, including MSSB and its affiliates. To induce any transfer agent or other third party to act hereunder, you hereby agree that any transfer agent or other third party receiving agent or third parry. You, individually and on behalf of the Trust, agree to indemnify and hold harmless any such transfer agent or third a duly executed copy or facsimile of this instrument may act in reliance thereon, and thar any modification, revocation or termination unless and until actual notice or knowledge of such modification, revocation or termination shall have been received by such transfer on the representations and warranties you make herein and in the Client Agreement.

4. Entire Understanding and Governing Law

relating to the Trust Account. In the event of any conflict between these representations and warranties and the Client Agreement, these representations and warranties shall prevail in respect of the Trust Account. You further agree that these representations and warranties and contained on any statements and confirmations sent to you by or on behalf of MSSB, contain the entire understanding between you and Agreement, and you further agree that the Trust Account is subject to the terms of the Client Agreement. In respect of the Trust Account, all provisions herein, shall be governed, construed and interpreted in accordance with the laws of the State of New York without giving You agree that these representations and warranties and the Client Agreement, together with any other agreements you enter into with MSSB relating to the Trust Account, any procedures established by MSSB with respect to the use of the Trust Account, and any terms MSSB concerning the Trust Account. You acknowledge that you have read, received, understand and agree to the terms of the Client these representations and warranties and the Client Agreement shall prevail over any prior conflicting provision of any agreement effect to the principles of conflicts of laws.

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATRST

PAGE 4 OF 11 NY CS 9175348 04/18

NAO

AACATRST

PAGE 3 OF 11 NY CS 9175348 04/18

USA PATRIOT Act³ Notice

Important information about procedures for opening a new account or establishing a new relationship: To help the U.S. government fight the funding of terrorism and money laundering activities, federal law requires all U.S. financial institutions to obtain, verify, and record information that identifies each individual or institution that opens an account or establishes a customer relationship with Morgan Stanley

rour name, legal address, date of birth (as applicable), SSN/TIN (as applicable) and other identification information. This information will What this means for you: When you open a new account or enter into a new customer relationship with Morgan Stanley, we will ask for be used to verify your identity. As appropriate, we may, in our discretion, ask for additional documentation or information. If all required documentation or information is not provided, Morgan Stanley may not be able to open an account or maintain a relationship with you

Trusted Contact Authorization (optional)

ind/or the identity of any legal guardian, executor, trustee or holder of a power of attorney or as otherwise permitted by the Rules of the By completing this section, you designate the person(s) listed below as your trusted contact person(s) ("Trusted Contact"). Your Trusted Contact(s) must be an individual 18 years of age or older. You understand that Morgan Stanley is authorized, in our discretion, unless account(s) in order to address possible financial exploitation, confirm the specifies of your current contact information, health status, required by applicable law, regulation or rule, to contact your Trusted Contact(s) and disclose information about you and/or your Financial Industry Regulatory Authority ("FINRA").

on your behalf. Morgan Stanley is authorized, but not obligated, unless required by law, regulation or rule, to contact the Trusted Contact(s) This Trusted Contact Authorization does not grant your Trusted Contact(s) trading authorization or any other authority to make decisions listed below. Where multiple Trusted Contacts are listed, we may contact one or more Trusted Contacts in any order we deem appropriate.

Please provide us with the information requested below.

Trusted Contact Person	act Person		
NAME OF TRUSTED CONTACT	RELATIONSHIP/WHICH TRUSTEE		
STATES OF THE PROPERTY OF THE	The second secon	The second secon	The second secon
MAILING ADDRESS	CITY	STATE	ZIP
N. D. A. D. C.	DESIGNATION CONTRACTOR SEPARATION OF THE PERSON OF THE PER	THE RESERVE AND ADDRESS OF THE PARTY OF THE	CONTRACTOR OF STREET,
PHONE NUMBER(S)	EMAIL ADDRESS		
AND THE PROPERTY OF THE PROPER	The last of the country of the Count		

NAME OF TRUSTED CONTACT MALLING ADDRESS PHONE NUMBER(S) EMAIL ADDRESS Trusted Contact Person NAME OF TRUSTED CONTACT RELATIONSHIPWHICH TRUSTEE CITY STATE CITY STATE		Irusted Contact Person		
EMAIL ADDRESS Trusted Contact Person RELATIONSHIPWHICH TRUSTEE	NAME OF TRUSTED CONTACT	RELATIONSHIP/WHICH TRUST	н	
EMAIL ADDRESS Trusted Contact Person RELATIONSHIPWHICH TRUSTEE	MAILING ADDRESS	VIIO	STATE	ZIP
Trusted Contact Person RELATIONSHIPWHICH TRUSTEE COTY	PHONE NUMBER(S)	EMAIL ADDRESS		The same of the sa
RELATIONSHIPWHICH TRUSTEE		Trusted Contact Person	-	
GTY	NAME OF TRUSTED CONTACT	RELATIONSHIP/WHICH TRUST	ж	
	MAILING ADDRESS	VIID	STATE	ZIP
PHONE NUMBERIS) EMAIL ADDRESS	PHONE NUMBER(S)	EMAIL ADDRESS		the title and the second secon

The Uniting and Strengthening America by Providing Appropriate Took Required to Intercept and Obstruct Terrorism Act of 2001, Pub. I. No. 107-56 (2001).

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATRST

NA0

AACATRST

Automatic Margin Privileges

box below:	
"NO MARGIN"	
the "N	
check t	
s you	
unless	
rivileges	
margin p	
y granted	
T A	
) is automatica	
IS:	
count(s	
at your acc	2
that	NO MADOTN
note	MA
lease note	
_	

margin privileges, please read the Margin Disclosure Statement which is provided to you as part of your account opening materials and is also available online at http://www.morganstanley.com/wealth-disclosures/pdf/Margin_Disclosure_Statement.pdf. See the Margin Interest your cumulative margin availability (accounts must be in the same name and held by you in the same capacity). For more information on Morgan Stanley account with margin privileges, the value of all marginable securities in your accounts may be aggregated to determine Rate Schedule for margin interest rates available at http://www.morganstanley.com/wealth-disclosures/pdf/Margin_Interest_Rate.pdf. Margin privileges may not be available in certain jurisdictions and are not available for all account types. If you have more than one

Automatic Cash Sweep

(e.g., certain persons residing outside the U.S.). The Bank Deposit Program is described in your account opening materials, as well as in BDP_disclosure.pdf. If you are ineligible to participate in the Bank Deposit Program, any free credit balances in all of your accounts will The Bank Deposit Program will be your default sweep investment unless you are ineligible to participate in the Bank Deposit Program the Bank Deposit Program Disclosure Statement that can be found at http://www.morgansranley.com/wealth-in automatically sweep into one of the following money market mutual funds? based upon eligibility

- Institutional Liquidity Funds Government Securities Portfolio (available only if you are a U.S. Person and are not eligible for the Bank Deposit Program, or if you exceed the Deposit Maximum as defined in the Bank Deposit Program Disclosure)
 - SICAV U.S. Dollar Liquidity Fund Offshore Money Market Mutual Fund (does not meet the requirements of 270.2a.7 of the U.S. Investment Company Act and is not available to U.S. Persons as defined in Regulation S of the Securities Act of 1933)
- U.S. Government Money Market Trust (available only for individual retirement accounts that are not eligible for the Bank Deposit Program)

Cash Management Services (not all account types are eligible for all Cash Management Services)

🗌 If your account type is eligible, you will receive 50 complimentary wallet-style checks **unless you <u>opt out</u> of check writing privileges** by checking this box.

🗌 If you <u>opt in</u> by checking this box and your account type is eligible, you will receive a free Morgan Stanley Debit Card which is accepted at MasterCard", Maestro" and STAR" network locations.

Electronic Delivery (eDelivery)

- Check this box if you would like to enroll in Electronic Delivery of all eligible eDelivery Documents (as defined in the Client Agreement) and agree to be bound by the Electronic Delivery terms set forth in the Client Agreement. Note: acceptance of additional online eDelivery Terms and Conditions is required.

lieu of receiving hard copies of such documents. These notifications will be sent to the email address that you provide below. At your first log-in to www.morganstanley.com/online there will be an email verification process that must be completed before electronic delivery can As a client enrolled in eDelivery, you will receive electronic notifications that certain documents are available for review electronically in ence. Any account(s) you open in the future that are linked to your existing account(s) will also be enrolled in eDelivery.

Please send all eDelivery notifications to the following email address:

EMAIL ADDRESS

ZIP

STATE

EMAIL ADDRESS

CITY

RELATIONSHIP/WHICH TRUSTEE

NAME OF TRUSTED CONTACT

PHONE NUMBER(S) MAILING ADDRESS

Trusted Contact Person

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATRST

NAO

AACATRST

PAGE 5 OF 11 NY CS 9175348 04/18

PAGE 6 0F 11 NY CS 9175348 04/18

^{*} Mongan Namley reserves the right to approve or deny the use of margin privileges at its discretion. This does not constitute an application for credit.
* Our affiliare, Morgan Sanley Investment Management ("MSIM"), serves as the invasiment adviser to the listed money market mutual funds. Morgan Sanley thesed upon the amount of assets held by clients in these money market mutual finds.
* The Morgan Sanley Debt Card is inseed by UMB Bank an, amount to a literace from MaxterCard International Incorporated. MasterCard and Massins are registered radherants of MasterCard International Encorporated. Investments and estricts are offered through Morgan Sanley Smith Barney LLC. Member SIPC: The thirth-party trademarks and service marks comained herein are the property of their respective owners.

100/127

Acknowledgment (applicable to all trustees)

Broker-Dealer*	
B	
ò	ınley
Ď	St
oyed	Ξ
무	organ
Empi	40
5	~
	than M
rerson	CL
ē	ther
7	*

- By checking this box, you represent that you are: 1. a person employed by a broker-dealer; or
- 2. the spouse of a person employed by a broker-dealer; or
- 3. a child of a person employed by a broker-dealer or a child of the spouse of a person employed by a broker-dealer, who resides in the same household as, or is financially dependent upon, the person so employed; or
- 4. an individual over whose account(s) a person employed by a broker-dealer has control.

confirmations and statements, or an electronic feed of the transactional data contained therein, related to your Morgan Stanley account(s) and that Morgan Stanley will provide such information to that broker-dealer. You further understand and agree that Morgan Stanley will continue to provide such information until you, or the broker-dealer, notifies Morgan Stanley in writing that cither you or the person You understand and agree that pursuant to FINRA Rule 3210, the broker-dealer named below may request duplicate copies of employed by the broker-dealer is no longer so employed.

RELATIONSHIP TO CLIENT	RELATIONSHIP TO CLIENT
NAME OF BROKER-DEALER NAME OF PERSON ENFLOYED BY THE BROKER-DEALER	NAME OF PERSON EMPLOYED BY THE BROKER-DEALER
NAME OF BROKER-DEALER	NAME OF BROKER-DEALER

Agreements and Signatures

relevant disclosures contained in your account opening materials, which by this reference are incorporated herein. You further agree that: and agree to the terms of the Client Agreement, the Trustee Certification and Trust Account Agreement, this application, as well as other By either signing below or attesting through forms of electronic attestation acceptable to Morgan Stanley, you acknowledge receipt of

- margin, a debit balance may nevertheless be established in your account(s) to cover check and/or debit card transactions (including, but Margin Disclosure Statement is also available at: http://www.morganstanley.com/wealth-disclosures/pdf/Margin_Disclosure_Statement Information booklet included with your account opening materials, which describe the risks associated with margin borrowing. The others. You further understand and agree that if you have selected check writing and/or debit card privileges, but have opted out of 1. unless you have opted out of margin privileges, margin loans may be extended to you from time to time for purposes of purchasing securities or otherwise. Please see the section entitled Margin as well as the Margin Disclosure Statement in the Important Account pdf. You understand and agree that incurring a margin debit balance may result in your securities being loaned to us or to not limited to, funds transfers and debit card purchases) when there are insufficient Available Funds in your account(s).
- 2. if you have requested any Cash Management Services, you also agree to the terms of the relevant disclosures contained in your account those services and authorize Morgan Stanley to establish check writing privileges, online bill payment services, electronic funds transfer opening materials, this application, the Trustee Certification and Trust Account Agreement and any other agreements that govern capabilities and to issue debit cards as instructed by you.
- you decline to participate in any services offered by Morgan Stanley at this time, but elect to do so in the future, you will be bound by contained in your account opening materials, this application and any other agreements relating to such service(s) upon making such any other agreements you may have with Morgan Stanley or other providers of services related to your account(s). You agree that if the applicable terms in the Client Agreement, the Trustee Certification and Trust Account Agreement and other relevant disclosures 3. your account(s) is also governed by the terms and conditions applicable to any ancillary services you have elected to receive and/or
- among other things, establish additional trust accounts for you. You understand and agree that, subject to any information you provide other relevant disclosures contained in your account opening materials, this application, any certifications in connection herewith and relating to any such additional accounts, the terms of the Client Agreement, the Trustee Certification and Trust Account Agreement, 4. Morgan Stanley may use this application and any certifications in connection herewith, including certain authorization forms, to, any other agreements relating to such services at that time, shall apply to any such additional accounts.

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATRST

PAGE 7 OF 11 NY CS 9175348 04/18 NAO

AACATRST

- if you have provided one or more Trusted Contact(s) in the Trusted Contact Authorization section of this application, the information provided will be confirmed to you in writing. You understand and agree that your Trusted Contact(s) must be 18 years of age or older. your Trusted Contact(s) and disclose information about you and/or your account(s) in order to address possible financial exploitation, your Trusted Contacts at any time by contacting the Morgan Stanley team servicing your account(s). You acknowledge and agree that or holder of a power of attorney or as otherwise permitted by the Rules of FINRA. You may add, remove and/or change any or all of You further understand and agree that we may, but are not obligated, unless required by applicable law, regulation or rule, to contact Trusted Contact Authorization does not constitute a trading authorization or power of attorney and does not authorize your Trusted we will rely on your agreement to promptly notify us of any changes to your Trusted Contact(s). You further acknowledge that the confirm the specifics of your current contact information, health status, and/or the identity of any legal guardian, executor, trustee Contact(s) to make any decisions on your behalf regarding your account(s), including, but not limited to, making changes to your
- 6. you represent that you are fully capable of understanding the English language. You agree that English is the governing language for all of your accounts as well as all agreements, documents and services provided by Morgan Stanley. You understand that we will rely material is provided to you by Morgan Stanley in a language other than English, you agree that such material is meant as a courtesy on this as a material representation in agreeing to open and maintain your account(s). If necessary, you agree to consult your own independent professional to assist you in understanding any material provided to you. If any document, communication or other translation only and is not binding.
- and/or to service your account(s). You also agree that you will not use this account(s), or permit them to be used, for any transactions corporation, business or entity that is closely aligned with a PEP such that it is subject to due diligence as a PEP ("PEP Entity"), you (i) with, involving or for the benefit of, any Sanctioned Person (excluding legally permissible transactions in debt or equiry issued by 7. If you, or any other trustee, or authorized person on your account(s) is, or has been, a "Politically Exposed Person" ("PEP"); or is a an entity designated on OFACs Sectoral Sanctions Identifications List), or (ii) in any other manner that would cause either you or confirm that you have disclosed this fact to Morgan Stanley and have provided the necessary information required by law to open Morgan Stanley to violate any Sanctions.9
- Dealer Employment Acknowledgment section ("Broker-Dealer Employer") providing approval for you to open ot maintain an account Employer with duplicate account statements, transaction confirmations or other information related to your Morgan Stanley accounts. 8. unless you have advised us to the contrary, by checking the box in the Person Employed by a Broker-Dealer Acknowledgment section you. You agree to immediately advise us in writing if this representation is no longer accurate. If you have notified us by checking the Such authorization will remain in effect until you or the Broker-Dealer Employer notifies us in writing that either you or any person box that one of the four categories in the Broker-Dealer Employment Acknowledgment section applies to you, you understand and agree that if Morgan Stanley so requests, you will provide us with a letter from the broker-dealer employer identified in the Brokerwith us. You further agree that we are authorized by you, if requested by a Broker-Dealer Employer, to provide such Broker-Dealer of this application ("Broker-Dealer Employment Acknowledgment"), none of the four categories set forth in that section apply to described in the Broker-Dealer Employment Acknowledgment section is no longer employed by the Broker-Dealer Employer.
- A Politically Esposed Person or PEP is a current or former prominent public figure, an immediate family member of a prominent public figure, or a known close associare to a prominent public figure a natural person currently or formerly entrasted with a serior public cole or function (e.g., a sentor official in the executive. Lightaries, military, administrative, or judical heraches of government). Inmediate family members include the spousdporture, present, gardapters, shiling, child, seep-child, or in-law of the prominent public figure. Known close associates include those individuals that are widely and publicly known to maintain a close relationship to the prominent public figure. Known close associates include those individuals that are widely and publicly known to maintain a close relationship to the prominent public figure can can include anyone in any experient value and element estimates, advisors, employees, and business representantive sligatus. A PEP Entity is any corporation, business or other entity that (1) has a prominent public figure coursil or effective council over the entity).
- "Startions" means economic or financial sanctions or restrictive measures or trade embargoes imposed, administered or enforced from time to time by any of the following sanctions authorities the US. Department of the Treasury and the US. Department of State, the United Nations Security Council, and the Council of the European Union or any EU member trate (including without infination the Office of Financial Surrounds implementation CORS) of Her Majeay's Treasury of the United Kingdom). Sanctioned beaton "means, at any time, (a) any government; entry, organization or individual tenta, "Preson') listed in any State State Council of the State Council of t

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATRST

PAGE 8 OF 11 NY CS 9175348 04/18

NAO

AACATRST

101/127

Additional certifications for clients who are not U.S. Persons¹⁰

By either signing below or attesting through forms of electronic attestation acceptable to Morgan Stanley, you certify that:

- Morgan Stanley by you or any individual related to your account(s) are current, true and accurate. You agree to notify Morgan Stanley a. you are not a U.S. Person. You affirm, as applicable, that any photocopies of a passport or national identity card provided to immediately in the event you become a U.S. Person.
- in Regulation S of the Securities Act of 1933, and that you were not in the United States at the time you signed this application, and Mutual Fund ("SICAV Money Market Mutual Fund") will be your default sweep investment if you are not a U.S. Person as defined you were not solicited to select the SICAV Money Market Mutual Fund while you were in the United States. You further agree that b. if you are ineligible to participate in the Bank Deposit Program, the SICAV U.S. Dollar Liquidity Fund Offshore Money Market Morgan Stanley is authorized to sweep any free credit balances in your account(s) into the SICAV Money Market Mutual Fund.
- c. you have specifically requested investment services from Morgan Stanley of your own volition and you have requested that Morgan Stanley provide advice to you on a continuing basis.
- you will use your account(s) solely for lawful purposes and will comply with all applicable laws, regulations and rules regarding taxation, exchange and capital controls, and reporting and filing requirements

THIS SECTION INTENTIONALLY LEFT BLANK

¹⁰ A "U.S. Person" means any U.S. Person as defined in Regulation S under the U.S. Securities Act of 1933, as amended.

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATRST

NAO AACATRST

PAGE 9 OF 11 NY CS 9175348 04/18

AACATRST

Client Acknowledgement

Form W.9. Non-U.S. persons must file the appropriate Form W.8 which will be provided to you separately. Morgan Stanley may be required by law to withhold a percentage of dividends, interest and gross proceeds of sales of securities for any account for which a If you are not a U.S. person for U.S. federal tax purposes, your signature below does not constitute a certification to the Substitute Form W-9 or appropriate W-8 is not on file with Morgan Stanley.

Ì	
-	
	s
	ignature
Ì	and Si
	Certification
	Lax (

Substitute Form W-9: Request for Taxpayer Identification Number and Certification

Under penalties of perjury, you certify that:

- 1. The number provided herein is your correct Taxpayer Identification Number (or you are waiting for a number to be issued to you); and 2. You are not subject to backup withholding because:
 - a. You are exempt from backup withholding, or
- b. You have not been notified by the Internal Revenue Service (IRS) that you are subject to backup withholding as a result of a

failure to report all interest and dividends, or

c. The IRS has notified you that you are no longer subject to backup withholding; and

3. You are a U.S. person (including a U.S. resident alien).

CERTIFICATION INSTRUCTIONS: YOU MUST CROSS OUT ITEM NUMBER 2 ABOVE IF YOU HAVE BEEN NOTIFIED BY THE IRS THAT YOU ARE CURRENTLY SUBJECT TO BACKUP WITHHOLDING BECAUSE YOU HAVE FAILED TO

REPORT ALL INTEREST AND DIVIDENDS ON YOUR TAX RETURN.

Legal Address of the Trust:

LEGAL BUSINESS STREET ADDRESS (CANNOT BE PO BOX)

Exemption from FATCA reporting code (if any) See page 11 for codes CITY, STATE AND ZIP OR POSTAL CODE (AND COUNTRY IF OUTSIDE THE US) Your account(s) at Morgan Stanley are governed by a Exempt payec code (if any) . See page 11 for codes

of the attached Client Agreement). You acknowledge that you predispute arbitration clause (starting on page 9, section 15 have received a copy of the Client Agreement, including the predispute arbitration clause. TRUST TAX IDENTIFICATION NUMBER*

The Internal Revenue Service does not require your consent to any provision of this Client Agreement other than the certifications required to avoid backup withholding set forth above.

TRUSTEE (PRINT NAME)	SIGNATURE	TRUSTEE'S SOCIAL SECURITY NUMBER	DATE (MM/DD/YYYY)
TRUSTEE (PRINT NAME)	SIGNATURE	TRUSTEE'S SOCIAL SECURITY NUMBER	DATE (MM/DD/YYYY)
TRUSTEE (PRINT NAME)	SIGNATURE	TRUSTEE'S SOCIAL SECURITY NUMBER	DATE (MM/DD/YYYY)
TRUSTEE (PRINT NAME)	SIGNATURE	TRUSTEE'S SOCIAL SECURITY NUMBER	DATE (MM/DD/YYYY)
TRUSTEE (PRINT NAME)	SIGNATURE	TRUSTEE'S SOCIAL SECURITY NUMBER	DATE (MM/DD/YYYY)

* Please ensure the correct Tax Identification Number (TIN) is entered. The Grantor's SSN should only be used if the Trust does not have a separate and distinct TIN.

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATRST PAGE 10 OF 11 NY CS 9175348 04/18 NAO

Exempt Payee Codes and Exemption from FATCA Reporting Codes

Exempt payee code. Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. Corporations are not exempt from backup withholding for payments made in settlement of payment card or third parry network transactions.

Note: If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding. The following codes identify payees that are exempt from backup withholding:

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the accoun satisfies the requirements of section 401(f)(2)

2—The United States or any of its agencies or instrumentalities
3—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities 4--- A foreign government or any of its political subdivisions, agencies, or instrumentalities

6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of the United States

7 — A futures commission merchant registered with the Commodity Futures Trading Commission

9-An entity registered at all times during the tax year under the Investment Company Act of 1940

8-A real estate investment trust

10—A common trust fund operated by a bank under section 584(a)

12—A middleman known in the investment community as a nominee or custodian 11 —A financial institution

13-A trust exempt from tax under section 664 or described in section 4947

Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions.

An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37) the person requesting this form if you are uncertain if the financial institution is subject to these requirements.

The United States or any of its agencies or instrumentalities

C—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities

D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg. section 1.1472-1(c)(1)(i) E—A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(i) F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards,

and options) that is registered as such under the laws of the United States or any state

H—A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the

G---A real estate investment trust

I—A common trust fund as defined in section 584(a) Investment Company Act of 1940

I -- A bank as defined in section 581

L-A trust exempt from tax under section 664 or described in section 4947(a)(1) K—A broker

M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

© 2018 Morgan Stanley Smith Barney LLC. Member SIPC.

Morgan Stanley

NAO

AACATRST

PAGE 11 OF 11 NY CS 9175348 04/18

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATRST

Morgan Stanley

Client Agreement*

and "Morgan Stanley Wealth Management" refer to Morgan Stanley Smith Barney LLC. The words "you," "your," "yours" and "client" refer to the account owner(s) and/or authorized person(s). In the following agreement, the words "we," "us," "our," "Morgan Stanley"

open or maintain now or in the future with or through Morgan Stanley or it direct or indirect subdistines and alfillates, including but not limited to Morgan Stanley & Co. LLC, Morgan Stanley Bank, NA, and Morgan Stanley Private Bank, National Association (collectively "Affiliates"). In consideration of Morgan Stanley opening, maintaining or servicing an account or multiple accounts on your behalf, it is agreed that, unless otherwise noted, the terms and conditions of this Client Agreement (the "Agreement") apply to all such accounts that you, in all capacities.

Morgan Sandey. Except for the statute of limitations applicable to claims, this Agreement is governed by the laws of the State of New York (and with respect to 1RAs, CESAs, qualified retirement and welfure benefit plan accounts, the provisions of the U.S. Internal Revenue Code of 1986, as amended, or any successor tax statutes (the "Code"), and, to the extent administrators, assigns, beneficiaries and successors will also be bound by the terms of this Agreement, as will any successor organization or assign of this Agreement is determined by competent authority to be prohibited or unenforceable in any jurisdiction, that provision shall be deemed ineffective The provisions of this Agreement shall be continuous. Your heirs, execute applicable, the Employee Retirement Income Security Act ("ERISA")) without gring effect to principles of conflict of laws. If any provision of this Agreement becomes inconsistent with any applicable current or future law, regulation or rule, that provision will be deemed changed to conform to any such law, regulation or rule and all other provisions of this Agreement will remain in effect and unchanged. If any provision of in that jurisdiction without invalidating the rest of this Agreement, or rendering such provision ineffective in any other jurisdiction.

indirect damages or losses. This Agreement does not confer any rights on any third parties. you, you agree that neither we nor any other entity performing services in connection with this Agreement will be liable for consequential, special or Unless otherwise required by applicable law, regulation or rule and except as set forth in this Agreement and/or in other disclosures provided to

You agree that our failure to insist at any time upon strict compliance with course of conduct on our part, shall not operate as a waiver of such power or right, not shall any single or partial exercise of any power or right preclude any further exercise of such power or right, notwithstanding any any term of this Agreement, or any delay or failure on our part to exercise verbal representations to the contrary made by any of our personnel or any power or right given to us in this Agreement, or any continued

representatives. All rights and remedies given to us in this Agreement an cumulative and not exclusive of any other rights or remedies which we

No provision of this Agreement can be amended or waived by you unless in writing and signed by an individual authorized to sign on behalf of Morgan Stanley.

without notice to you. If, however, such changes are adverse to you, we will provide you with no less than 30 days' written notice before such changes take effect. Notwithstanding the foregoing, we may make changes to this Agreement that immediately become effective where we are required to do so by law, regulation or rule or in any other circumstances that would prevent us from providing prior notice to you. If you continue of applicable law regulation or rule, Morgan Scanley may sell, transfer or assign this Agreement, in whole or in part, at any time with or without notice to you. You may not sell, assign or transfer any of your obligations to maintain your account(s) with Morgan Stanley after such notice, you will be deemed to have accepted such changes. Subject to the requirement Morgan Stanley may amend, supplement, modify or rescind any and all provisions of this Agreement, and unless such changes are adverse to you or notice is required by applicable law, regulation or rule or other under this Agreement without the express, written, signed consent of account(s), such changes will take effect Morgan Stanley.

We may decline to offer you certain services or cancel existing services available under this Agreement in our discretion without notice to you ements of applicable law, regulation or rule or consistent with the requirements of applicable other agreements applicable to your account.

all kinds, securities entitlements, money, foreign currencies, savings deposits, certificates of deposit, bankers acceptances, commercial paper, As used in this Agreement, the term property ("Property") includes, but is not limited to, investment property, securities accounts, commodities distributions, proceeds, products and accessions of any of the above, including proceeds of proceeds. All Property held in a securities account or relating to commodities or relating to any other underlier, and the dities and contracts for ounts, futures accounts, foreign exchange accounts, securities of shall be treated as a financial asset under Article 8 of the New York future delivery or options on contracts for future delivery of com options, options on futures contracts, co mercial Code. Uniform Com

You represent that you understand the English language. You agree that English is the governing language for all of your accounts as well as all documents and services provided by Morgan Stanley. You understand The Client Agreement is applicable to Active Assets Accounts*, investment advisory accounts and Individual Retirement Accounts (*TRA* including Traditional/Rollower/ Sort/Inherited). Simplified Employee Pension (SEP), Salary Reduction Simplified Employee Pension (Plan (SAR-SEP) and Savings Investment March Plan for Employees Individual Retirement Accounts (SIMPLE IRAs), Coverdell Education Savings Account (CESA). Tirus Accounts, certain qualified retirement and welfare benefit plan

accounts, and Equity Plan Accounts.

Where that the cace of a Morgan Standy RA, you' refers to the beneficial owner of an account custodied by Morgan Standy or in the case of a Morgan Standy CESA, who will the CESA account Gust as the Accountment. In the case of any other qualified techniqued beneficiary or the applicable "Responsible Individuals as the case may be each as defined in the CESA document). In the case of any other qualified techniqued beneficiary or the applicable account or an IRA account for which Morgan Standy's not the carehous and the CESA document). In the case of any other qualified techniqued beneficiary or the applicable the canoning application and performance, or the "Authorized Individual," or the "Non-Affiliated IRA Custedian" as the case may be, each as defined in the applicable account application and upon a property of the case of the accountment of the case of any other equalities are the case may be, each as defined in the applicable account application and upon a part of the case of the accountment of the case of any other qualities are the case may be, each as defined in the applicable account application and upon a part of the case of any other qualities are the case of any other accountment of the case of any other qualities are consistent or the case of any other accountment of the case of any other qualities are consistent or the accountment of the case of any other qualities are consistent or the case of any other qualities are consistent or the case of any other qualities are consistent or the case of any other qualities are case of the case of any other case of

GWMCLIEN

Keep This For Your Records

PAGE 1 OF 14 NY CS 9172643 04/18

CLIENT AGREEMENT (04/2018) GWMCLIEN

that we will rely on this representation as a material representation in agreeing to open and maintain your account(s). If increasary, you agree to consult with an independent professional to assist you in understanding any material provided to you. If any document, communication or other material provided to you by Morgan Stanley is in a language other than English, you agree that such material is meant as a courtesy translation only and is not binding.

By communicating with Morgan Stanley by phone, you consent to the electronic recording, withinst roughtain, of any or all telephone conversations with Morgan Stanley, to the extent permissible under applicable have regulation or rule. Further, you consent to the use of any such recording as evidence in any action or proceeding assing out of his Agreement, and to Morgan Stanley's erasure of any recording, in our discretion, as part of our regular procedure for the handling of recordings. You acknowledge that hank deposits purchased through Morgan Stanley at Federal Deposit Instrume. Corporation ("FDIC") member institutions (fineluding, for example, savings deposits, Bank Deposit Program deposits and certificates of deposition) and Gabble Currenty time deposits are not FDIC instrued, are not a deposit or instruction. And are not FDIC instructed are not a deposit or institution for understand that all other investment products are not FDIC instructed are not a deposit or other obligation of a depository institution, and are not guaranteed by a depository institution. Not understand that all other investment products are subject to investment risks, including the possible loss of the entire principal amount invested. You understand and ageet that Morgan Stanley may use your verifiable electronic signature on any writter instruction or authoritation, including but not limited to, the account application, this Agreement or any other agreement, as a true, complex, valid, and authoritation including document with your verifiable electronic signature in any indical, administrative, or arbitration proceeding document with your verifiable electronic signature in any proceeding becomen you and Morgan Stanley.

You acknowledge that this Agreement may be executed in counterparts each of which shall be deemed an original and which together shall be deemed one instrument. This Agreement is in addition to, and not in liteu of, any other written and signed agreements between you and Morgan Standey, Certain features of your accounted) may be subject to additional applications, terms and conditions and agreements that also apply to your accounted, or supplement that the apply to your accounted, or supplement that the Agreement of including, but not limited to, the IRA andor CESA Adoption Agreement, all of which collectively govern your relationship with Morgan Stanley regarding any of the terms in this Agreement or and any other terms of the recent of an inconsistency or discrepancy if the inconsistency or discrepancy if the inconsistency or discrepancy relates to the services provided under this Agreement to document for document, if the inconsistency or discrepancy relates to the services provided under this Agreement or document for that product, program, then the etms of the agreement or document for that product, program or service shall govern. Networkbearding the foregoing, and handanging in this Agreement or any other agreements or documents governing your account that may conflict or be inconsistent with the applicable [RA or CESA custodial agreements and pan documents governing your account that may conflict or be inconsistent with the applicable qualified retirement or welfare benefit plan account applications thereunder, shall be interpreted to be consistent and in compliance with the IRA or CESA custodial agreement and han documents, applications thereunder, shall be interpreted to be consistent and in compliance with the IRA or CESA custodial agreement and han documents, applications thereunder, shall be interpreted to be consistent and in compliance with the IRA or CESA custodial agreement and plan documents, and applicable qualified retirement or welfare benefit plan account applications of agreement and the

possible to interprets such language to be consistent and compliant with scali IRA and for CESA exactofial agreements and plant documents, the applicable qualified retirement or welfare benefit plan account application and agreement or the relevant sections of the Code and/or ERISA and regulations thereunder, then such language shall be of no force on effect to the center of such inconsistency or noncompliance.

Communicating With You

No less frequently than quarterly, we will send you a statement of your accounted, by we'll also eardy not transaction confirmations as required by applicable law, regulation or rule. We will keep on file for you certain addresses, including a mailing address that you provide (as well as an email address, if provided), which we will use to send you written communications. We will consider any communication delivered to any of your addresses. If Morgan Stanley becomes aware of a change to your mailing address through notification from the US Pastal Service, we may update our records accordingly, provided, however, that Morgan Stanley provided, however, that Morgan Stanley has no obligation to update your mailing address unless you personally notify us of an address change.

You acknowledge that the rules of the Securities and Exchange Commission (the "SEC") require that certain communications be sent to you directly which than on a negent acting on your behalf. You affirm that the mailing address specified by you is an address where you personally receive communications unless it is the address of a qualified custodian as defined by the SEC.

You acknowledge that, if you provide instructions to link your account(s) with accounts of others, your presonal and financial information may be provided to the owners of such other account(s) as a result of your accounts being linked.

If you have designated another individual to receive your communications from us pursuant to an alternate mail instruction, you aget that the from us pursuant to an alternate mail instruction, you aget that the mandard communications (seeps certain regulatori) mandard communications) including, but not limited to, proxies, prospectures, other deficial documentation, decuments related to supprayectures, other deficial documentation and account statements. In consideration of Morgan Stanley accepting and acting upon your alternate mail structure, you ougeter that all such communications shall be deemed, for all purposes, to have been presonally received by you on the date indicated in such communication. You further agree to indemnify and hold harmless Morgan Stanley; so effects, directors, employees, Afflitates and subsidiaries from any and all claims and liabilities arising from Morgan Stanley's conficially waive any claims arising from your election not to promptly review transactions posted to your account(s).

Tatassactions entered or executed for your account(s).

Transactions entered or executed for your account(s) shall be confirmed in witing to you where required by applicable law, regulation or rule. Voto agree that your transaction confirmations and account satements shall conclusively be deemed accurate, and the underlying transactions authorized by and binding on you, unless you notify us in writing of any inaccuracies within three (3) days of your receipt of transaction confirmations and ten (10) days of your receipt of account statements. Even if you have webally advised us of any inaccuracy or unauthorized activity, you must also send to the branch office servicing your account written notice of the claimed inaccuracy or unauthorized activity. Fallow with preduct you from asserting at a later date that such activity periods will preduce you from asserting at a later date that such activity was inaccurate or unauthorized.

CLIENT AGREEMENT (04/2018) GWMCLIEN

72018) GWMCLIEN PAGE 2 0F 14 NY CS 9172643 04/18

Keep This For Your Records

GWMCLIEN

GWMCLIEN

Trusted Contact Authorization

If you have provided the name and contact information for one or more trusted contact persons (9). Thereted Contacts and agree that your Trusted Contact must be 18 years of age or older. You further understand and agree that we unsty, but are not obligated, unless required by applicable daw, egulation or rule, to contact your Trusted Contact and deslose information about you and/or your account(s) in order to address possible financial exploitation, confirm the specifies of your current contact information about you and/or your account(s) in order to address possible financial exploitation, confirm the specifies of your current contact information, the delth status, and/or the identity of any legal guardian, executor, truster or holder of a power of attorney or as otherwise permitted by the Rules of the Financial Industry Regulatory Authority (FRINAT).

You may add, terrower and/or change any or all of your Trusted Contacts as any changes to your Trusted Contact (s). You further adventige and agree that we will rely on your agreement to acknowledge that the Trusted Contact Authorization does not canathorize a rading authorization or power of attorney and does not authorize your pour account, including but not limited to, making changes to your benchair designations.

3. Escheatment

You understand and agree that, to the extent required by applicable law, regulation or rule, the Property in your account(s) may be excheated to the appropriate justisdiction if there has been no contact from you and to accurity directed by you in your account(s) for the time period specified by the haw applicable to your jurisdiction.

4. Non-Transferable Securities (not applicable to all account types)

If Morgan Stanley becomes aware that transfer agent services are no longer swallshe for any security in our accounted, Morgan Stanley reserves the right to remove and security from your accounted. Morgan Stanley well state you a receipt in liet of a physical certificate as evidence of your ownership of that security. If a sup time after the issuance of such receipt. Morgan Stanley becomes aware that transfer agent services have been reinstaned, we will make reasonable efforts to have the security restored to your account(s), provided your account(s) has not been closed. In the event that your account(s), provided your account(s) has to the security restored to your account(s), has one of the for your exquering instructions from you as to the disposition of such security. If we do not receive a timely response, the security will be considered unclaimed property and will be exchanged to the state of your last known address in accordance with applicable state law. After the exchangent of any such ascurity, you will need to contact that state to claim that scentify.

5. Electronic Delivery (eDelivery)

By enrolling in electronic delivery (cDelivery), you understand that you are providing your informed and positive consent to receive documents electronically to the email address you provide and to discontinue hard copy delivery of most documents relating to your accountfel). Documents include, but are not limited to, general correspondence, account statements, transaction confirmations, prospectuses, performance reports, corporate action credit advices, account documentation, including your client agreements and any amendments to such agreements, our U.S. Privacy Policy, the Form ADV Part & Abredune (AND Brochure") and Part Bà supplement for any investment advisory program, as applicable, and all documents that may be added by us to cDelivery in the future.

(collectively "eDelivery Documents"). When you entul in eDelivery, you consent to the electronic delivery of all eDelivery Documents and further agree and understand that you will not receive, and we are not obligated to provide, hard coptors of any eDelivery Documents unless specifically requested by you. You may incur a charge for any requested hard copy.

By enrolling in eDelivery you also agree to electronic delivery of syndicate and other defiring materials, including preliminary propercuses and other effering documentation (including, but not limited to, pricing term where applicable) for equity initial public offerings, secondary offerings, and follow-ons, as well as new sisues transured investments and new issue municipal and other fixed income securities ("Syndicate Offerings"). Participation in many Syndicate Offerings requires eDelivery, you may not be able to participate in certain Syndicate Offerings.

After enrolling in eDelivery, you will receive eDelivery Documents electronically by accessing them on a Morgan Stanley or third-party website selected by Morgan Stanley after being nonfined by email that eDelivery Documents are available for your review. The email address that you provide will be used to send notifications of document availability to you for all selected accounts and document types associated with your Morgan Stanley Online username.

You agree that when you select a specific document type (e.g., transaction confirmations) to be electronically delivered for all of your existing linked accounts, the selected document type will be electronically delivered for any accounts you may open in the future that are linked to your existing accounts.

If it as any innew we are unable to deliver email norifications to the email address you provided, we will notify you by regular mail. Depending on the reason for the failure, we may immediately suspend «Delivery, whiche will result in hard copy delivery of Chelivery. Documents until you revalidate your email address. Accounts that have «Delivery auspended will not be able to participate in certain Syndiciate Offerings that

require eDelivery of preliminary prospectuses and other documents. You understand and accept that certain risks are associated with the transmission of confidential information, electronic delivery notifications and other communications through the internet, including, but not limited to, unauthorized access, systems outges, delays and/or disruptions in elecommunications services and/or the internet. Email is not private or secure. The electronic delivery notifications are not encrypted. Although such electronic delivery norifications are not encrypted. Although such electronic delivery norifications are not intercepted by others, if delivered to electronic servers could be seen or intercepted by others, if delivered to electronic servers or devices not exclusively under your control. You understand and agree that you will not respond to any eDelivery norification by return email to request information, services, hard copies or other items, or to revoke your endirely consent. Morgan Stanley will not exc upon requests made in this manner.

Although eDelivery Documents are provided without charge, you understand that other online atheciption or access forse by internet service providers may apply. It is your responsibility to maintain the ability to access and open eDelivery Documents. There are minimum computer hardware and software requirements necessary to receive and view your eDelivery Documents, including but not limited to, an internet connection and internet browsing software.

Morgan Stanley will mainrain an electronically accessible archive of your eDelivery Documents on our secure client website for seven (7) years after document publication. You are responsible for archiving eDelivery

Keep This For Your Records

CLIENT AGREEMENT (04/2018) GWMCLIEN

PAGE 3 OF 14 NY CS 9172643 04/18

Keep This

3/127

Documents beyond seven (7) years. You agree that, notwithstanding your request for electronic delivery of eDelivery Documents, we may, in our descretion, terminate eDelivery and send you copies of documents in hard

6. Transactions

We may require a deposit or full payment before we accept an order from you. Without limiting the foregoing, you agree that if your account(s) does nor have sufficient Available Funds (as defined below) to complete a transaction, you will promptly deposit the necessary funds to your

For the purposes of this Agreement, "Available Funds" refers to the IOTAL of:

- your Available Cash where "Available Cash" means the total amount of your free credit balances and any designated sweep investment balance; AND
- your funds Available to Borrow where "Available to Borrow" means, unless specified otherwise, your available margin credit;

MINUS

- any uncleared funds;
- funds reserved for debit card transactions;
- · account fees and other amounts owed to Morgan Stanley; AND
- · any cushion or minimum deposit amount imposed by or through

Morgan Stanley for any reason.

In general, debits arising from securities trades, debit card transactions, check winting online or mobile bill paperunes, electronic funds transfers, as well as any other withdrawals, account fors and changes in your account(s) are satisfied first from your Available Cash and then from your funds Available to Borrow. You understand and agree that if you have selected check writing and/or debit card privilegs, but have opend out of mangin, a debit habance map to established in your account(s) to cover check and/or debit card purchases) when there are insufficient. Available Funds in your account(s), to wait understand and that your whilable Funds in your account(s), to wait understand that your whilable Funds in your account(s), the marker value of securities in your account(s), the intensity and value of excertise in your account(s), the time required to collect cheeks deposit in your account(s), the marker value of securities transactions, the time required to confirm transactions and dust between financial institutions, and your usgee of a loan/line of credit product offered by us or an Affiliaer. You turther agee that Morgan Stanley may determine and adjust your Available Funds in our discretion, in the cwent of any confire or inconsistency between the definitions are front in the section and any other agreement between you and Morgan Stanley and/or our Affiliases, the defined terms set forth above shall govern for purposes of his Agreement.

You agree that if you do not fund your account(s) within 90 days of account opening, we may, in our discretion, restrict or cancel debit card ocheck writing privileges and/or access to other account services.

from understand that IRAs, CESAs and qualified retirement and welfare benefit plan accounts are eash accounts without mappin privileges. You whould ensure that there are sufficient funds in your IRAs, EESA and or qualified retirement or welfare benefit plan account(s) to complete the reterement or welfare benefit plan account(s) to complete

All transactions entered or executed for your account(s) shall be subject to all applicable laws, regulations and rules of governmental authorities,

self-regulatory agencies and the constitution, rules, regulations, customs and usages of the exchange (or market) and its eleaninghouse, if any where such transactions are executed by Morgan Stanley or its agents. Such reference to the "constitution, rules, regulations, customs and usages of the exchange" shall in no way be constituted or deemed to create a cause of action arising from any violation of such constitution, rules, regulations, customs or usages.

When you instruct us to sell "long" securities, you must own the securities when you place the order and you agree to make good delivery of the securities by settlement deta. You further agree that if you instruct us to sell long and we are unable to deliver the securities to the purchaser as a result of your failure to provide the securities to us, we are required by law regulation or rule to purchase (i.e., "huy-in") or borrow a security of like kind and quantity. You also agree to be responsible for any loss which we may sustain through a buy-in or burrowing including any premiums interest or other costs which we may be required to pay as a result of such a buy-in or burrowing or the roballity to buy-in or burrow.

You agree to designate a sell order as a "short sale" if, at the time you place the order, you either do not own the executives being ado for are unable to the order, you either do not own the executives being and organization to certain regulatory requirements and cannot be executed under certain market or order conditions, or in certain account opers, in addition, depending on market conditions, we cannot guarantee that secutivities will be available to loan to you in order to facilitate a short sale, in which case your transaction may not be executed. You agree that Morgan Sandor may, in our discretion and without notice to you, buyin securities to cover any short position it your account(q). If you are unable to cover a short position, either through the transfer of long securities of like kind and quantity to your account(s) or through our buyin of the securities in sufficient time to deliver the borrowed securities as a result of your failure to deliver.

By designating a sell order as a "short sale," you acknowledge and understand that selling securities short involves a high degree of risk. You acknowledge that you have carefully considered all of the factors relating to short selling and have decided that selling securities short is appropriate for you.

7. Mutual Fund Share Class Conversion Where applicable, and with prior written notice, you hereby authorize us to

instruct any mutual fund company to convert, at no cost to you, any openend mutual fund positions in your account(s) to a share class of the same fund that has the same or lower shareholder services fee, pursuant to Rule 122b-1 of the fivestment Company Act of 1940, as amended, to the extent available, according to any applicable share class convexion program.

8. Erroneous/Advance Credits

If you receive a credit to your account(s) of funds or accurities to which you are our enritled ("Euroneous Carlet"), you agree to notify us as soon as you learn of such Euroneous Credit and you further agree, norwithstanding any representations to the contrary made by any of our personnel or representatives, not to tennow any such Euroneous Credit Pour account(s) and to return the full amount of such Euroneous Credit four.

You understand that, when a dividend or interest payment has a monthred payable date and month-end falls on a westend, the dividend or interest payment will be credited to your account(s) on the first business day after month-end. As a matter of bookkeeping convenience, we CLIENT AGREEMENT 04/2018) GWMCLIEN

PAGE 4 OF 14 NY CS 9172643 04/18

Keep This For Your Records

SWMCLIEN

upon receips of written instructions signed by all of the account owners or authorized persons; (d) close the account(s) and sen'd you all funds, montes or other Property to the address of record; (e) fife an interpleader action in any court with proper jurisdiction, in which event we shall be entitled to creavest all ossis, including, but not limited to, accorney's freas, associated with such action.

limited to, dividends and interest payments, prior to our actual receipt of payment ("Advance Credic") to the extent permissible under applicable baw, regulation or rule (including, but not limited to, the Code and/or

You acknowledge that such Advance Credit may also be reflected

on our books, and otherwise, as "immediately available" or "same day"

funds or by some other similar characterization. Notwithstanding any such credit or characterization, all Advance Credits shall be contingent upon our actual receipt of final payment and may be reversed by us to the

extent we do not receive final payment. If we, in our discretion, permit you to use any Advance Credit, you nonetheless shall continue to bear the

In the event of a dispute regarding the owneaship or control of your accounted or any sease therein, we may effekts or accept instructions for transactions in your account(s) and we may freeze the assets in your account(s) to prevent withdrawals or distributions until any such disputes are resolved to our staisfaction. You agree that, in the event we do restrict your account(s) or freeze the assets therein. Morgan Stanley shall not be liable for any damages suffered as a result: including, but not limited to, defininges realiting from fluctuations in the market value of the securities had in your account(s).

risk of, and liability for, our non-receipt of final payment in full. To the extent that final payment in full for any cash or securities credited to you is not received by us, you shall immediately reimburse us, upon demand, for the amount of any Advanced Credit used, to the extent permissible, under applicable law, regulation or tule (including, but not limited to, the Code and/or ERISA). For purposes of this section, payment will not be

You agree that we may at any time and for any reason, without notice to you, to the extent permissible under applicable law, egulation, rule or other documents governing your account(s), terminate or otherwise restrict any or all services provided by Morgan Scanley to you, or, in our discretion, close any of your accounts or resign as custodian of any of your RA(s) or CESA(s). You may, at any time, close any of your accounts of your some any or extracted, we may immediately cancel all open orders and terminate all services provided to such account(s), including, but not limited to, your ability to write chocks, is us your debity to write chocks, is us your debit or early on write chocks, is us you debit or early on write chocks, to understand and agree that we may in our discretion, require you to return all debit cards and unused checks to us or to destroy them, and that we may freeze any asserts in any of your accounts until you have returned all debit cards and unused checks to us you have normed an ormed and debit cards and unused checks have been destroyed.

If you fall to return any Erroneous Credit or Advance Credit, we may debit an amount equal to the Firmeneous Credit or Advance Credit from your account or any other account(s) you maintain with us, and liquidace, if necessary, any of your assers held by us to satisfy your obligation to return any such Erroneous Credit or Advance Credit.

receipt of which under applicable law, regulation or rule is irreversible, and which funds or securities are not subject to any security interest, levy,

other encumbrance, or adverse claim or interest.

final until we have received immediately available funds or securities, the

and you fail to return the fall amount of the Erroneous Credit or Advance Credit to us, you will be liable to us, not only for the fall amount of the Erroneous Credit or Advance Credit, but also for any interest and/or

expenses (including attorneys' fees) associated with our recovery of the Erroneous Credit or Advance Credit.

If we cannot debit the amount equal to the Erroneous Credit or Advance

Credit from your account or any other account(s) you maintain with us

Upon the closing of any of your accounts, or upon our declining, cancelling or reversing any of your orders or instructions, or plecing any trading, clashusement or other restrictions on any of your accounts, whether done at your instruction or in our discretion, you exclusively shall be liable for any change in the value of sases in your accounts) of your accounts, you agree to instruct us regarding the disposition of saxes remaining in such accounts, I, fet are a reasonable period of time, we do not receive your instructions regarding the disposition of assers remaining in such accounts, we may, but are not obligated to, liquidate the assets remaining and send you the amount of the resulting cash balance. You understand a agree that such liquidation may occur regardless of current market conditions, that the proceeds of any liquidated sease wall not earn interest and that such liquidation may result in that controlligation to you will also account the such accounts of which you solely are responsible. Alternatively, we may, but are not obligated to, transfer any remaining scash balance.

Code (collectively, "IRA, CESA, or other Retirement Account,"), is not subject to a security mutest, flem or tight of seasoff for debte owed to us and/or out Affiliates in relation to your other accounts, but remain subject to legal remedies for debts and obligations owed in relation to the IRA.

Any IRA, CESA, qualified retirement or welfare benefit plan account or other account holding assets of a "plan" as defined in Section 4975 of the

You agree that, we may at any time, in our discretion, and without notice to you, decline, cancel or reverse your orders or instructions, or place trading, disbursement or other restrictions on any of your accounts.

9. Restrictions and Account Termination

CESA, or other Retirement Accor

rule, regulation or other similar requirement or request, or to protect either your interests or the interests of Morgan Stanley or our Affiliace, including, but not limited to, circumstances involving suspected fraud or

We may restrict any of your accounts and/or freeze the assets in any of your accounts, if necessary, to comply with a subpoena, court order, law,

If your account(s) has a value of less than \$100 and no account activity has occurred for a period of six consecutive months, to the extent permissible under other agreements applicable to your account(s), you authorize Morgan Stanley, in our discretion, to liquidate the ascues in the account(s) and send he resulting each balance to you and close your account(s). You understand and agree that any such liquidation may result in tax consequences for which you solely are responsible.

account owner or authorized person regarding your account(s), including, but not limited to, purchase and sale orders, including short sales, or

In the event Morgan Stanley receives inconsistent instructions from any

client incapacity.

funds or scurities disbursement requests, we are authorized, in our discretion, and without incurring any lability due to fluctuating market conditions or otherwise, to do any one or more of the following; (a) select which instructions to follow and which to disregard; (b) suspend all activity in the account(d); (c) refuse to buy, sell or rande any security or commodity, and refuse to dishture any finited and/or securities except

You acknowledge that you solely, and not Morgan Stanleys, are responsible for any losses, fees, costs or charges you may incur as a result of our liquidation of the assers tenamining in sony of your accounts under any of the circumstances previously sefforth. You accounts, will be closed ofter all the assers remaining have been transferred or liquidated and the

CLIENT AGREEMENT (04/2018) GWMCLIEN PAGE 5 OF 14 NY CS 9172643 04/18

GWMCLIEN

Keep This For Your Records

Keep Thi

tand and agree that, until ınt(s) will continue to be charged proceeds delivered or paid to you. You unders applicable fees.

account(s) will not affect any obligations that you may have in connection with such account(s), including, but not limited to, the obligation to pay for securities transactions, debit card transactions, checks or any other terminated or restricted, or that may arise after the closing, termination o charges. This Agreement will continue to govern matters relating to any of your accounts that arose before any of your accounts were closed, You understand and agree that closing, terminating or restricting your restriction of any of your accounts.

If after any of your accounts are closed, we receive any dividends, interest or other payments with respect to assets previously held in your closed account(s), we will send to you, based on instructions you provided to us, any such dividends, interest or other payments, minus any amounts owed to Morgan Stanley. If you have not provided us with instructions, we may Morgan Stanley, to you. You agree that we may charge you any applicable fees resulting from our receipt of such dividends, interest or other paymen liquidate any assets received and send the proceeds of such liquidation(s) You agree that Morgan Stanley shall have no liability for following is well as any other payments received, minus any amounts owed to

You agree that, if any of your accounts is an individual account, upon receiving notice of your death and print or the appointment of an executor administrator, we may in our discretion, close any open positions held, cancel any open orders in such individual account(s) or take any action instructions received from you or your authorized person(s) prior ro Morgan Stanley receiving notice of your death, even if such instructions are followed after your death or after we receive notice of your death. we deem necessary to protect your estate or Mongan Stanley. You agree that Morgan Stanley shall not be liable in any way for any depreciation in the value of assets in any of your accounts due to market fluctuation. subsequent to your death.

You understand and agree that when Morgan Stanley serves as the IRS, approved non-bank ensotian for twent IRA(s) and CESA(s), the applicable IRA and CESA custedial or plan documents governing these accounts specify the terms and conditions under which Morgan Sanley nay resign or be removed as custodian.

Sweep 10.

Deposity Maximum, as defined in the Bank Deposit Disclosure Statement, across the Sweep Banks and then into the applicable money market mutual fund, as set forth in more detail in the Bank Deposit Program Declosure Statement, which is available at www.monganstanley.com/wealth/scrucked/bankedpositprogram.asp, a copy of which will be sent to you upon your first deposit in othe Bank Deposit Program (*BDP)*, and by which you hereby agree to be bound. You also adenovelege that a free credit balance in any Equity Plan Account that exceeds the Deposit without further direction from you, to automatically deposit or "sweep" all free credit balances in your account(s) into one or more FDIC insured depository institutions affiliated with us ("Sweep Banks") up to the Maximum will be swept to the Sweep Banks and not a noney market mutual fund. You acknowledge and understand that we may amend the list of Sweep Banks at any time with 30 days prior written notice to you. Subject to eligibility requirements, you may block deposits to one or more Sweep Banks in the BDP as set forth in the Bank Deposi You acknowledge and agree that, if you are eligible, we are authorized, Program Disclosure Statement.

amount of deposits you have at each Sweep Bank in order to determine the You acknowledge that (i) you are responsible for monitoring the total

extent of FDIC insurance coverage available to you and (ii) Morgan Stanley is not responsible for any insured or uninsured portion of your deposits ar any of the Sweep Banks.

free credit balances will be swept into the applicable money market mutua You understand and agree that if you are not eligible for the BDP, your fund as determined by Morgan Stanley.

return available on other available cash alternatives. Morgan Stanley is not responsible if the BDP has a lower rate of return than other available cash You acknowledge and agree that if you are cligible, the BDP will be your designated sweep investment. You further acknowledge and agree that the rate of return on the BDP may be higher or lower than the rate of alternatives or causes any tax or other consequences.

written notice to you, (i) make changes to our sweep terms; (ii) make changes to the terms and conditions of any available sweep investment; (iii) change, add or remove products available as sweep investment options; and (iv) transfer your sweep investment from one sweep product You understand and agree that Morgan Stanley may, with 30 days prior

your current designated sweep investment and the time shares are purchased or funds are deposited into your new designated sweep investment, and that you may not earn interest or dividends during the time your funds are You agree that if your designated sweep investment changes, Morgan Stanley may sell your shares in, or withdraw your funds from, your current designated sweep investment and purchase shares or deposit funds into your new designated sweep investment. You understand that there may be a delay between the time your shares are sold or funds are withdrawn from

account(s) to cover any of your debts or obligations owed to Morgan Stanley, including non-trade related debts, such as, but not limited to, checks you have written. You acknowledge that Morgan Stanley is further authorized to liquidate any other assets held in your account(s) to satisfy any such debts or obligations whenever, in our discretion, we consider it recessary for Morgan Stanley's protection and consistent with the requirements of applicable law, regulation or rule. Liquidations shall be made consistent Without limiting the language set forth below, you hereby authorize Morgan Stanley, in our discretion, to automatically withdraw any BDP with the requirements of other account documents, including, but not imited to, the IRA or CESA custodial agreements and plan documents. balances or liquidate any money market mutual fund shares in your

Fees and Charges You May Incur and Compensation Earned by Morgan Stanley

deficiency arising in your account(s), including any deficiency arising from the assessment or withholding of any tax. For your investment advisory int(s) and will be reflected on transaction confirmations sent to you. You also agree that we may impose, and you will pay, a finance charge on any debit balance in your account(s). You understand and agree that we reserve the right to add or You agree to pay any account and service fres, taxes and other changes related to your account(s), and authorize us to automatically debit such fres and charges from your account(s). You agree to promptly pay any accounts where you are charged brokerage commissions separately from change account and service fees and other charges at any time with prior and/or in addition to a managed account fee, you agree that brokerage commissions will be charged against your acco

You understand and agree that, as compensation for our services, Morgan Stanley may retain a proportionate share of any interest you earn on aggregate cash balances with respect to assets awaiting investment or processing ("Float") in any of your accounts. You understand that

CLIENT AGREEMENT 04/2018) GWMCLIEN

Keep This For Your Records

GWMCLIEN

PAGE 6 OF 14 NY CS 9172643 04/18

GWMCLIEN

Floar consists of eash deposited into a Mongan Stanley account awairing investment into the BDP, a money market mutual fund or other investment. You acknowledge that Mongan Stanley may also earn interest

any available free credit balances in your account(s) into any of the sweep investment options described in the "Sweep" section of this Agreement. You understand and acknowledge that Morgan Stanley may effect trades for your account(s) through exchanges, electronic communication networks (TGNY) Justinerable radially systems (YGNY) and similar execution systems and trading ventus (collectively, "Trading Systems"), including Trading Systems in which Morgan Stanley and/or our You further undetstand and agree that Morgan Stanley and/or our Affliates may carn additional compensation through the inve

ADV Brochure. In addition, there are other trading systems in which Morgan Stanley and/or our Affiliates do not have an ownership interest through which we may execute trades for cilent accounts. The Trading Systems on which Morgan Stanley trades for cilent accounts and in which Morgan Stanley and/or our Affiliates own interests may change from time to time. Vot may contact us for an up to date list of ECNs and ATSs in which Morgan Stanley and/or our Affiliates own interests. You further addonowledge that this Agreement shall constitute the requisite trade through all such Trading Systems, pursuant to Section 408(b)(16) of ERISA and/or Section 4975(d)(19) of the Code, as may be applicable to Affiliares have a direct or indirect ownership interest. In addition, you understand and agree that, subject at all times to our obligations under applicable law, regulation or rule to seek to obtain best execution for our definers orders. Morgan Stanley may soute certain client order flow to our Affiliares. Furthermore, Morgan Stanley and/or our Affiliares have authorization from you and notice to you of Morgan Stanley's intent to ownership interests in the voting securities of those ECNs or ATSs that are listed in the Morgan Stanley IRA or CESA Disclosure Statement or in the case of any other qualified retirement or welfare benefit accounts, or in the case of investment advisory accounts, the applicable plan account(s), the account opening documents applicable to those IRAs, CESAs and other tax-deferred accounts.

12. Morgan Stanley's Security Interest

Association or Morgan Stanley Bank, N.A., such security interest and lien granted to Volegua Stanley shall be subordinated to such security interest and lien granted to Morgan Stanley Private Bank, National Association or Morgan Stanley Private Bank, National Association or Morgan Stanley Bank, N.A., as applicable. Any IRA, CESA, or other other account(s) you have with us, however any such account(s) remains subject to legal remedies for debts and obligations owed in relation to any accounts with us and/or our Affiliares, whether owned individually, jointly or in the name of another person or entity over which you have authority or in which you have a beneficial interest. Notwithstanding the Affiliates by you, you grant us a first priority lien on, continuing security interest in, and right of setoff to all Property that now, or in the future, foregoing, if any Property serves as collateral for any extension of credit, loan or line of credit made by Morgan Stanley Private Bank, National is held, carried or maintained for any purpose in or through any of your Retirement Account, is not subject to a security interest, lien or right of set off for debts owed to us and/or our Affiliates in connection with any As security for the payment of any amounts owed to us and/or our IRA, CESA, or other Retirement Account.

make any debt or other obligation related to your account(s) immediately due and payable. You further agree that we may, in our discretion, hold any of your Property in our possession or control until your debts or obligations owed to us and/or our Affliates are fully satisfied, or we may You agree that we may elect, in our discretion, without notice to you, to

collateral until your debts or obligations owed to us and/or our Affiliares are fully astificial. Additionally, you authorize us to transfer excess funds between any of your accounts for any reason that does not conflict with applicable law, regulation or rule. You understand that you will remain liable to Morgan Stranky and/or our Affiliares for any deficiency in any of your accounts. In emforting our security invertex, you ager that we have the discretion to determine which Property is to be liquidated and the order in which it is to be liquidated. We also reserve all the rights and the order in which it is to be liquidated. apply any such Property and/or the proceeds of the liquidation of such Property toward the satisfaction of your debts and obligations owed to us and/or our Affiliates, or we may choose to hold any such proceeds as eash remedies available to us as a secured party under the New York Uniform Commercial Code.

You agree that, without our prior written and signed consent, you will not cause or allow your account(s) or any of the Property held therein by us and/or our Affiliares, whether now owned or hereafter acquired, to be or become subject to any liens, security interests, mortgages or encumbrance of any nature other than Morgan Stanley's security interest or the security interest of our Affliates. Whenever it is necessary for our protection to satisfy any debts or obbligations wored by you to us and/or our Affiliates, we may but are not required to, sell, assign or deliver any Property in our possession or control held in any of your accounts and/or cancel any pending transaction(s) in any of your accounts and/or cancel any pending transaction(s) in any of your accounts and/or cancel any pending transaction(s) in any of your accounts something but not limited to commissions related to any such liquidations and/or deliveries. In addition, you agree that we shall be entitled to apply any funds to cover any fees or other debts or obligations owed by you to us and/or our Affiliates. You understand and agree that any such liquidation dividends, capital gains payments, interest payments or other incoming may result in tax consequences for which you are solely responsible.

amount to a consumer or securities credit reporting agency or to a collection agency and you agree that you will be responsible for any costs, fees or other expenses we and/or our Affiliates incur as a result of You understand that we and/or our Affiliates may report any past due

13. Verification and Reporting

including, but not limited to, your employer or a consumer reporting agency, regarding your identity, creditworthiness (and that of your spo Morgan Stanley and our Affiliates may make inquiries to any source, if you live in a community property state) and eligibility to open or maintain an account.

credit reports, at any time, for reasons including, but not limited to, the following: You authorize us and our Affiliates to obtain copies of your const

- To collect a debit balance in any of your accounts,
- · To investigate, detect and prevent fraud involving you, or any of your accounts;
- To help us determine whether to grant, extend or modify the terms and conditions applicable to any credit you have applied for and/or
- course of business. You have the right to request the name and address of any consumer reporting agency that furnished reports to us or to our Affliates. These rights and obligations also apply to your spouse if you live When a deposit of funds or securities to any of your accounts is returned You authorize us and our Affiliates to share this information in the norma

CLIENT AGREEMENT (04/2018) GWMCLIEN

PAGE 7 0F 14 NY CS 9172643 04/18

14. Cash Management Services (not applicable to all

You understand and agree that, if you use debit card, check writing, online or mobile bill payment, or electronic funds transfer (" EFT ") privileges you to effect such transactions, (iii) any securities transactions; and/or (iv) other applicable fees or changes. You understand and agree that if you have selected order wiring and/or debit card privileges, but have oped out of margin, a debit belance may be exablished in your account(s) to cover check and/or debit card transactions (including, but not limited to, fands transfers and debit card purchases) when there are insufficient Available Funds in your account(s). You agree to pay any charges and fees including interest charges resulting from the establishment of such a debit balance. "Cash Management Services") offered in connection with your account(s) we are authorized to debit your account(s) immediately whenever a check, online or mobile bill payment or debit card transaction is presented for payment, when an EFT is effected, or when any related fee or charge becomes due. You agree to maintain Available Funds sufficient to pay for (i) any checks written by you or your authorized check signers; (ii) EFTs, online or mobile bill payments and debit card transactions made by you or any authorized debit card holders or other individuals authorized by

You further agree that we may adjust your Available Funds in our discretion You understand and agree that, if there are insufficient Available Funds in your account(s) to cover any payments, transactions, fies or charges when they become due, we have no obligation to make such payments or authorize such transactions. You also understand and agree that we have no obligation to make partial payments. You agree that, if your Available Funds fall below zero, Morgan Stanley may suspend and/or terminate all Cash Management Services on your account(s) and you further agree to mmediately pay all amounts owed to us.

You may authorize additional debit card holders on your account(s). You agree that if you designess additional belts card holds you are authorizing all debit card transactions by the person(s) to whom an additional debit card is issued. You accept all liability with respect to any debit card transactions. effected by you and/or any additional debit card holder(s) and/or others you permit to use the debit card.

or multiple persons authorized to give us instructions, any one account owner or authorized person may give us instructions regarding Cash Management Services and all account owners or authorized persons You acknowledge and agree that, if there are multiple account owners authorize us to comply with any such instructions.

uctions regarding discretion, to honor any of the instructions, or decline to honor all of the rized persons relating to Cash Management Services, the issuance ons from any account owners or cancellation of scrvice or stopping of payment), we may choose, in of debit cards, or any other transactions (including instru If we receive inconsistent instructi

cancel any or all of your Cash Management Services at any time, for any reason, with or without notice to you. If we decline or cancel any or all of your Cash Management Services, you understand and agree that you remain responsible for the payment of any pending debits, which will be You acknowledge and agree that, we reserve the right to decline or processed and deducted from your account(s).

oss you incur in connection with your account(s), or the use of any Cash Management Services or other account features. In no event will we, any processing bank, or debit card issuer be liable for consequential, special or rule, and except as otherwise set forth in this Agreement or in other documentation provided to you, you agree that neither Morgan Stanley, oor any processing bank, nor the debit card issuer will be liable for any oss you incur in connection with your account(s), or the use of any Ca Subject to any limitations imposed by applicable law, regulation or

indirect damages or losses. You also agree that our liability in connection with online and/or mobile services is further limited by the applicable online and/or mobile services terms and conditions. To the extent you utilize any such services you acknowledge that you are bound by the applicable terms and conditions.

possible unauthorized activity and to report any unauthorized activity to Morgan Strategy pursuant to the terms of this Agreement. You will also be full debit eard, check, online and/or mobile transactions conducted by anyone to whom you have given access or who has obtained access, even if not authorized by you, up to applicable legal limits. by you to use them. Unless limited by applicable law, regulation or rule or as otherwise ast forth in this Agreement or in other decommentation provided to you, you will be responsible for any losses that arise from you failure to safeguard your debit card(s), checks or Security Codes and/or. You agree to protect your personal identification numbers, telephone authorization codes, and any other account access security codes ("Securi Codes"), debit card(s) and checks from access by anyone not authorized review your account statements and other account notifications for

statements and other account notifications promptly to discover and report any unauthorized activity, including, but not limited to, use of your agree to immediately cease using your debtic card(s) and checks analysis promptly descript on its quested by us, tearural allelithe cards and unused checks to us. You will be responsible for any debtic card ransactions that are processed due to your failure to destroy or return the debtic card(s) after carefulsion. You understand and agree that the use of a debtic card(s) is governed by the debtic card company and the issuing bank's agreement with you as well as applicable laws, regulations and rules. debit card(s) and checks. You must notify Morgan Sranley immediately if you have reason to believe that there has been unauthorized activity in your account(s) or that your debit card(s) or checks have been lost, stolen Morgan Stanley of any unauthorized activity or error, we may require you, within ten (10) days of providing such verbal notification, to send written confirmation to Morgan Stanley, Debit Card Operations, 1 New York. Plaza, New York, NY 10004. If your account(s) is terminated or the debit or used by any unauthorized person. If you provide verbal notification to card and/or check writing privileges are cancelled on your account(s), you You understand that you are responsible for reviewing your account

will result in the cancellation of all Cash Management Services, including, transactions, any checks written on your account(s), and any outstanding online and/or mobile bill payments and EFT transactions, in each You agree that the termination or closing of your account(s) for any reaso case, whether arising before or after the termination or closing of your account(s). You also agree to instruct all initiators of direct deposit and but not limited to, any direct deposit and direct payment processing. If your account(s) is terminated or closed, you will remain liable for the payment of any fees or charges to your account(s), all debit card direct payment transactions to immediately cease all such activity.

A. Business Debit Cards (not applicable to all account types)

If you are authorized to act on a Business Active Assets Account(s) and you request the issuance of debit cards, you understand and agree that made by you and/or your authorized person(s) in the manner set forth in this Agreement or other agreement governing card usage, and that you are liable for all debit card transactions made by you and your authorized person(s). your account(s) will be debited directly for all debit card transactions

You agree that you will maintain all debit cards issued for your account(s) in a secure manner, and will protect those debit cards and all Security Codes from access by anyone not authorized to use them. You agree that Morgan Stanley and/or the issuing bank may, when necessary, answer or

all debit card transactions will be reflected on your account statements and that no separate debit card statement will be sent by Morgan Stanley. inquiries about any cardholder's credit history. You understand that

You agree that debit card(s) issued for your account(s) are subject to the s of this Agreement as well as any other agreements which debit card usage.

B. Check Writing and Deposits

business days after the day the check is deposited. You will receive interest and/or dividends on such held finds during the hold period. Interest and/or dividends will be forified, however, if your check is returned for insufficient funds or for any other defect. You understand and agree that, during the hold period, checks may not be written against the funds on hold You understand and agree that, when you deposit a check drawn on a domestic bank for credit to your account(s), in our discretion, we may place a hold on the deposit and delay crediting your Available Funds for up to ten and such funds may not be withdrawn. You also agree that, during the hold period, we may, in our discretion, make the funds represented by the check unavailable for the settling of securities transactions.

You acknowledge and agree that we are not obligated to accept eash deposits and may reject any such deposits.

Unless you opt-out of check writing privileges, your account(s) includes check writing privileges that provide you with access to the Available Funds in your accounts). You agree that we may, in our discretion, provide such check writing privileges through third parties and that such check writing privileges through third parties and that such check writing privileges will be subject to our policies and those of such third parties, as well as to applicable laws, rules and regulations.

your account statements and other account northeations will include information about each cheek submitted for payment. You agree to review your account statements and other account northeations and alert us You understand that canceled checks will not be returned to you, howev promptly in writing regarding any suspected errors.

authorize others to have check writing privileges on your account(s). If you authorize additional check signer(s), you are responsible for all checks You understand and agree that we may, in our discretion, permit you to written by such additional check signer(s).

You agree that requests for checks bearing more than one signature line may be fulfilled by Morgan Stanley for your convenience. You understand that our processing bank processes most checks by automated means based processing bank. You acknowledge that any multiple signature tentablished by you on any checks, resolutions, signature cards and is not binding on us or our processing bank. You further acknowledge and agree that neither we not our processing bank assumes any responsibility in connection with any such multiple signature requirement are properly signed or completed. You agree that Morgan Stanley and our processing bank may rely on such automated processing and that it will be deemed an acceptable standard of care on the part of Morgan Stanley examines checks to determine if they on information encoded on the checks and that neither Morgan Stanley or other documentation is solely for your own internal control purpo nor our processing bank physically and our proces

payment request is effective only for tix months from the date of the request and that after that six month peried you must renew your stop payment request. You understand that you will not receive any nordification from Morgan Stanly at the expiration of the six month stop payment period. You, solely, are responsible for the monitoring the expiration of payment on a check written on your account(s) be stopped, such a stop written on your account(s), we cannot guarantee that payment on any such check will be stopped. You understand that if you request that You agree that if you request that payment be stopped on any check

any stop payment requests. You agree that after any stop payment request ceases to be effective, we may process the cheek for payment. You further agree that we will not be liable in any way if your stop payment request

reorders, returned checks and copies of cancelled checks. You may request a schedule of fees by contacting us or you may view the Morgan Stanley Wealth Management Schedule of Miscellaneous Account and Service Fress You agree to pay any fee that we may charge for any stop payment request privilege on your account(s), including, but not limited to, fees for check online at https://www.morganstanley.com/wealth-relationshipwithms/pdfs/account_and_service_fees.pdfsv=1/. also agree to pay all other fees associated with the check

You understand that you may order additional cheeks through our vendo or a vendor of your choice. You agree that all checks must conform to Morgan Stanley's check specifications and that we will not be responsible for check processing errors as a result of your use of checks that do not conform to Morgan Stanley's check specifications. You also agree that we have no obligation to pay for replacement checks.

agree that checks written in other currencies may be returned, rejected and/or not honored for payment and will be subject to applicable fees. You agree to write checks only in U.S. dollars and you understand and

limited to, prohibiting you from using checks written on your account(s) to directly or indirectly purchase securities. You also agree that we reserve the right to delay crediting any of your accounts with the amount of any check deposited until such check has been satisfied from the Available You understand and agree that we may prohibit check writing on your account(s) in our discretion, and for any reason, including, but not Funds in your account(s).

C. Electronic Funds Transfer (EFT)

Your account(s) may be eligible for a variety of EFTs that are subject to separate service agreements. These services may include our online and/or mobile bill payment service or our funds transfer service. In each case, you must agree to the separate terms and conditions governing the particular service you use to initiage EFTs. In addition, you agree that your use of EFTs to receive or transfer funds to or from your account(s) is subject to the separate EFT disclosures provided to you.

15. Arbitration

This Agreement contains a predispute arbitration clause. By signing an arbitration agreement the parties agree as follows:

- All parties to this Agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- Arbitration awards are generally final and binding; a party's ability to
- The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in have a court reverse or modify an arbitration award is very limited
- The arbitrators do not have to explain the reason(s) for their award unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 20 days prior to the first scheduled hearing date. court proceedings.
 - The panel of arbitrators may include a minority of arbitrators who were or are affiliated with the securities industry.
 - The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.

CLIENT AGREEMENT (04/2018) GWMCLIEN

PAGE 9 OF 14 NY CS 9172643 04/18

Keep This For Your Records

GWMCLIEN

PAGE 8 OF 14 NY CS 9172643 04/18

CLIENT AGREEMENT (04/2018) GWMCLIEN

GWMCLIEN

The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this Agreement.

controversies arose prior, on or subsequent to the date hereof, between you and Morgan Stanley and/or any of its present or former officers, directors, or employees concerning or arising from (i) any account and us, any duty arising from the business of Morgan Sunley or otherwise, shall be determined by adviration before, and only before, any self-regulation or exchange of which Morgan Stanley is a member. You may elect which of these arbitration formus shall heart the matter by sending a registered letter or other written communication addressed to Morgan Stanley at 1653 Broadway, 26th Floor, New York, NY 10019, Atru Legal and Compliance Division. If you fail to make such election before the expiration of five (5) days after receipt of a written request from Morgan Stanley to make such election, Morgan Stanley shall have the right to choose the forum. others in any capacity; (ii) any transaction involving Morgan Stanley or any predecessor or successor firms by merger, acquisition or other business combination and you, whether or not such transaction maintained by you with Morgan Stanley individually or jointly with performance or breach of this or any other agreement between you You agree that all claims or controversies, whether such claims or occurred in such account or accounts; or (iii) the construction,

No person shall bring a putative or certified class action to arbitration, nor seek to enforce any predispute arbitration agreement against any person who has initiated in court a putative class action; or who is a respect to any claims encompassed by the putative class action until:

(i) the class certification is denied; (ii) the class is decertified; or

(iii) the person is excluded from the class by the court. member of a putative class who has not opted out of the class with

constitute a waiver of any rights under this Agreement except to the Such forbearance to enforce an agreement to arbitrate shall not extent stated herein. The statute of limitations applicable to any claim, whether brought in arbitration or in a court of competent jurisdiction shall be that which would be applied by the courts in the state in which you reside or if you do not reside in the United States, the statute of limitations shall be that which would be applied by the courts in the state where the Morgan Stanley office servicing your account is located.

16. Client Qualifications

By agreeing to the terms of this Agreement either by physically signing or through forms of electronic attestation acceptable to Morgan Stanley, you represent that you are qualified to open one or more account(s) with us.

which an exchange owns a majority of the capital stock, or is a member of any exchange or corporation of which an exchange owns a majority of the capital stock, or an individual engaged in the business of dealing, either as a broker or as principal, in scentrices, bills of exchange, acceptances or Unless you advise us in writing to the contrary, you represent that neither you nor any member of your immediate family or household is an employee of any exchange, self-regulatory organization, or corporation of other forms of commercial paper.

a child of the spouse of a person employed by a broker-dealer, who resides in the same household as, or is financially dependent upon, the person so employed: or (4) an individual over whose account(5) as person employed by a boker-dealer has control. You agree to immediately advise us in writing if this representation is no longer accutate. If you have notified (1) employed by a broker-dealer; or (2) the spouse of a person employed by a broker-dealer; (3) a child of a person employed by a broker-dealer or Unless you have advised us to the contrary, you represent that you are not

with duplicate account statements, transaction confirmations or other information related to your Morgan Stanley accounts. Such authorization will remain in effect until you or the Broker-Dealer Employer notifier us in writing that either you or the person employed by the Broker-Dealer Employer is no longer so employed. us that one of the preceding four categories does apply to you, you understand and agree that if Morgan Stanley so requests, you will provide us with a letter of approval from the broker-dealer employer identified with us. You further agree that we are authorized by you, if requested by such Broker-Dealer Employer, to provide such Broker-Dealer Employer by you ("Broker-Dealer Employer") to open or maintain an account(s)

ownership interest in or authority over any of your accounts knowingly owns, operates or is associated with a business that uses, at least in part, the internet to receive or send information that could be used in placing. You further represent that neither you nor any other person who has an receiving, or otherwise knowingly transmitting a bet or wager and you further agree to immediately advise us in writing if this representation is

17. Losses Due to Extraordinary Events

rudes or actions, exchange or marker rulings, suspension of trading, war, civil disrubances, terrofein, strikes, natural calamities, acts or omissions of exchanges, specialists, markets, clearance organizations or information providers, clays or failures in mail deliveries, cleays or inaccuracies in the transmission of orders or information, or other conditions beyond You agree that we are not liable for any loss caused directly or indirectly by government restrictions, laws, exchange or self-regulatory organizatio Morgan Stanley's control.

the amount paid by the issuer. You acknowledge that the tax treatment of issuer payments and In Lieu Payments may differ and, specifically, that the reduced tax rare applicable to certain dividends under U.S. law received by

("In Lieu Payments") in an amount equal to, and in the same currency as,

18. Margin Agreement (not applicable to all account types)

requesting margin privileges unless you advise us to the contrary. You understand and agree that if you have selected cheek writing and/ or debit card privileges, but have opted out of margin, a debit balance may be established in your account(s) to cover cheek and/or debit card transactions (including, but not limited to, funds transfers and debit card transactions (including, but not limited to, funds transfers and debit card purchases) when there are installedent valuable is funds in your account(s). Margin privileges will not be account application, and you are a resident of a Person, as defined in the account application, and you are a resident of a By opening your account(s) you agree that you are automatically jurisdiction that we deem incligible for margin privileges.

account(s), in our discretion, at any time, with or without cause, and whether or not such demand is made for our procession, for agree the trail payments received for your account(s), including, but not limited to, interest, dividends, and principal, may be applied by us to any balance due in your account(s).

You understand that all margin loans made to you are not for any specific term or duration but are due and payable in our discretion upon a demand for payment made by us. If you maintain both a cash account and a margin account with us, you acknowledge and agree that we are authorized, in our

discretion, to use the equity in either type of account to satisfy any margin

of your accounts, including, but not limited to, interest, commissions, and any costs of collection (including any attorneys' fees incurred by us). You understand that we may demand full payment of any balance due in your

You agree to pay, on demand, any balance owed to us with respect to any

individuals does not apply to In Lieu Payments.

relating to margin borrowing and have decided that margin borrowing is You further agree that, if you utilize margin, Morgan Stanley may borrow If you utilize margin, you acknowledge and understand that borrowing funds by using securities as collateral involves a high degree of risk. You acknowledge that you have carefully considered all of the factors appropriate for you.

loans. You authorize Morgan Stanley to lend to itself, our Affiliates, or to others, without notice to you, any securities in the margin credit portion of your account(s), together with all attendant rights of ownership, In connection with such loans, as well as securities loans made to you to facilitate short sales, you authorize Morgan Stanley to receive and retain certain benefits, including, but not limited to, interest on your collateral pledged for such loans. In addition, you authorize Morgan Stanley to that, in some circumstances, such loans may limit your ability to exercis either separately or together with the securities of other margin clients. compensation in connection with such loans. You acknowledge money to lend to you and pledge your securities as collateral for such voting rights and/or participate in corporate actions relating to the

Sell, assign, transfer and/or deliver any or all Property in any of your accounts (other than any IRA, CESA or other Retirement Account) in any

· Buy-in or borrow any Property of which your account(s) may be shore

manner we deem appropriate;

with respect to which there is a failure to deliver; Cancel any outstanding trade orders or other com Terminate all margin privileges granted to your account(s).

CLIENT AGREEMENT (04/2018) GWMCLIEN

PAGE 10 OF 14 NY CS 9172643 04/18

nodee to you in other circumstances. Any such notice or demand is hereby expressly wared by you, and no specific demand or notice given by us shall invalidate this waiver. After deducting all costs and expenses of any sale, purchase, assignment, transfer, delivery or cancellation, including, but not of your Property, we may purchase the whole or any part thereof free from any right of redemption. In the event of your death or incompetency, the authority given by this section shall continue to be effective and shall be assignment, transfer, delivery or cancellation may be made, in our discretion, on any exchange or other market where such business is then usually transacted, at public auction, or at private sale without advertising margin or notice to you of any purchase, sale, assignment or cancellation.

No demand for margin, or notice given to you of Morgan Scanley's intent to purchase or sell Property or to cancel orders in your account(s), shall limited to, commissions and transfer taxes, we will apply the remainder of the proceeds to the payment of any and all of your debts owed to us, and you shall remain liable for any remaining deficiency. Upon any such sale impose upon us any obligation to make such demand or provide such Without limiting the generality of the foregoing, such sale, purchase, the same. All of the above actions may be taken without demand for binding upon your executor, personal representative, adm beneficiaries and heirs. dividends) or by liquidating collateral and applying the proceeds to the repayment of your loans. You understand that on the due that any interest, dividends or other distributions are paid by an issuer with respect to securities, we will transfer or credit to your account(s) substitutes payments

(iii) to use or invest any each resulting from our pledging, repledging, hypothecaring, exhipothecaring, selling, assigning, teloning, commingling, transfering or otherwise using such securities at out own risk. You agree that we may exercise these rights without notice to you and may do so it connection with transactions involving amounts that may be greater than the amount of your loans. You agree that our use of the securities in the margin credit portion of your account(s) shall be free from any claim

or right of any nature whatstoever, including any equity or redemption rights you may have. Our bilgation to return study executives shall be satisfied by delivering securities of the same issuer, class and quantity as the securities initially transferred (subject to adjustments for corporate actions including, but not limited to, stock splits, reverse splits and stock

assign. lend, commingle or otherwise transfer or use such securities in our business, separately from or together with all attendant rights of ownershi

accurities in the margin credit portion of any of your accounts: (i) to hold and re-register such securities in our name or in any name other than yours, (ii) to pledge, repledge, hypothecate, rehypothecate, sell,

any of the following actions with respect to any of your accounts or

(including the right to vote any such securities or receive dividends) and

You also agree that all payments required in connection with any margin loan must be made to Morgan Stanley free and clear of all present and future taxes (including, but not limited to withholding taxes and any exact, inberiance or death taxes which may become due upon your death). Ievies, imposs, duties, deductions, free, liabilities and similar charges, except for taxes imposed by the United States on Morgan Stanleys net income. If you reside outside the United States, you understand that the but that you nonetheless will be required to pay Morgan Stanley the gross amount of interest without deduction for any such witholding tax. You understand and agree that the frregging does not constitute tax advice and that you should consult with your tax advisor regarding any taxes related to make an interest payment to Morgan Stanley, you may be required to make a tax payment to the tax authority of the jurisdiction in which you reside, urisdiction in which you reside may impose a withholding tax applicable to interest payments that you may make to Morgan Stanley with respect to a margin loan. You further understand that this means that when you margin lending.

collateral or equity as Morgan Szanley may require. You understand and agere that interest will be behaged on any mongin balance you maintain and fast your interest rate will be based either on Morgan Szanley's Margin Interest Rate Schedule, that has been provided to you, and which may be qualify. You further agree that any preferred margin interest rate applicable when the preferred margin interest rate became effective and that thereafter your interest rate will be based on the Margin Interest Rate Schedule. You amended from time to time with 30 days written notice to you ("Margin Interest Rate Schedule") or on a preferred margin interest rate, if you margin interest rate (i) at any time prior to its stated expiration, with not less than 30 days prior written notice to you, or (ii) at any time after the You understand that the loan value of eligible securities for the purpose of margin is subject to applicable law, regulation or rule as well as Morgan Stanley policies. You agree that, at all times, you will maintain understand and agree that Morgan Stanley may increase your preferred stated expiration of your preferred margin interest rate, without prìor margin equity in your account(s) and that you will deposit addition to your margin balance will expire at the end of the term indicate written notice to you.

Morgan Stanley may use procedures to verify your identity and that these

procedures are commercially reasonable.

In connection with any debit balance you agree that we are authorized, consistent with applicable law, regulation or rule, whenever we deem it

ssary or appropriate, in our discretion and for our protection, to:

· Require additional collateral or equity from you;

You agree that, in connection with any requested margin credit advance, nance requirement without the actual transfer of funds or securities

between such accounts.

agree that we may impose margin requirements on your account(s) more stringent than those required by law, regulation or rule. You further You acknowledge and agree that unpaid interest charges will be added to the debit balance in your account(s) for the next interest period. You

CLIENT AGREEMENT (04/2018) GWMCLIEN

Keep This For Your Records

GWMCLIEN

GWMCLIEN

PAGE 11 OF 14 NY CS 9172643 04/18

ents shall not prevent us from subsequently enforcing such margin understand and agree that such margin requirements may be changed and modified by us at any time without prior notice to you. You further agree that any waivet or failure by us to promptly enforce such margin equirements with regard to your account(s). We reserve the right, in our tion, to decline, restrict or terminate your margin privileges at any time, for any reason.

A. Charities, Charitable Remainder Trusts, Charitable Lead Trusts and

foundation, or (v) any other classification of texpayer that may be adversely affected by maintaining a margin debit in your account(s), you represent adverse income tax consequences of maintaining a margin debit in your accountels. If you have not open do ut of margin and you intend to maintain a margin debit in your accountels, you agree to indemnify and hold harmless Morgan Stanley and our A. Elliates, employees, predecessors. successors and assigns from any and all liabilities, claims and/or demands, including, but not limited to, any liabilities resulting from adverse federal or state income tax consequences that may result by reason of your If you are (i) a public charity under Section 501(c)(3) of the Code; (ii) a that you have obtained independent tax advice concerning any potential nder trust; (iii) a charitable lead trust; (iv) a private maintaining a margin debit in your account(s).

19. Non-Purpose Loans (not applicable to all account types)

regardless of the amount of collateral delivered to us. We may change such rules and regulations. The minimum and maximum amount of any particular Non-Purpose Loan may be established by us, in our discretion, purpose other than purchasing, carrying or trading in securities ("Non-Purpose Loans"). Non-Purpose Loans will be made in a "good-faith" account established for such purpose in accordance with applicable laws, Upon your request, we may, in our discretion, make loans to you for a minimum and maximum amounts at any time without notice to you.

You agree not to use any Non-Purpose Loan proceeds to purchase, carry or trade in securities or to directly or indirectly, repay other debt that you incur for the purpose of purchasing, carriding or trading in securities, either at Morgan Sanley or elsewhere. You further agree to execute any additional documentation we may require in connection with any Non-Purpose Loan, including, but not limited to, a Form T-4.

20. Personal Holding Companies

If you are opening an account(s) for a Personal Holding Company (PHC) formed outside the United States, you agree that you will not place; invest or otherwise use any of your margin lean or Non-Purpose. Loan proceeds in the rax jurisdiction of any of the beneficial owners on to do so in writing from of the PHC, unless you receive permi Morgan Stanley.

21. Multiple Party Accounts (not applicable to all account types)

maintain an account mailing address designated by you as the address to any debt owed or amount due in the multiple party account(s). We will You agree that if any of your accounts is a multiple parry account, each account owner will be jointly and severally liable to pay, on demand, sent to the account mailing address shall be deemed to have been personally received by all multiple party account owners. which we will send written co

You understand and agree that each multiple party account owner has full power and authority to make purchases and sales, including short sales, to

address possible financial exploitation, confirm the specifies of your current contact information, whereabours, health status or the identity of any legal guardian, executor, trustee or holder of any power of attorney with any account owner and to accept payment and/or securities from any account owner for the credit of the multiple party account(s). Morgan Stanley is further authorized in its discretion to disclose any information about vithdraw funds and/or securities, and to do anything else in connection Morgan Stanley is authorized to act upon instructions received from any any multiple party account owner and any of their accounts in order to with the multiple party account(s), either in individual or joint name other multiple party account owner.

control the multiple party account, you understand and agree that we may, in our discretion, require written instructions signed by all multiple party nands for funds and/or securities account owners when transactions, payments or transfers are requested. Notwithstanding the ability of each multiple party account owner to sent to any multiple party account owner shall be binding upon all Any notices, communications, or any den multiple party account owners.

multiple party account owners regarding the multiple party account(s), including, but not limited to, putchase and sale orders, including short sales, or funds or securities disbursement requests, we are authorized, in our discretion, and without incurring any liability due to fluctuating marker conditions or otherwise, to do any one or more of the following (a) select which instructions to follow and which to disregard; (b) suspend all activity in the multiple party account(s); (c) refuse to buy, sell or trade any security and/or refuse to tights except upon receiving written instructions signed by all of the account owners; (d) close the multiple party account(s) and send you all funds, monies or other Property to the address of record; of 50 fie an interplated raction in any court with proper jurisdiction, in which event we shall be entitled to recover from you all coots, including, but not limited to, attorneys fees, associated with accounts or from any multiple party account owner prior to distribution of funds, securities and/or Property, any costs we may incut, including, but not limited to, attorneys fees, as the result of any dispute between and/or inconsistent instructions, of any multiple party account owners. In the event Morgan Stanley receives inconsistent instructions from two or more such action. Morgan Stanley shall be entitled to recover from any of your among the multiple party account owners and/or their representatives or harmless from, and indemnify Morgan Stanley against, any losses, causes of action, damages or expenses arising from. or as the result of, Morgan Stanley following the instructions, or declining to follow the Sach multiple party account owner agrees to hold Morgan Stanley heirs, relating to the multiple party account(s).

of any multiple patry account owner, the surviving multiple patry account owner(s) shall immediately give us notice thereof and we may, before or after receiving such notice; take any action, require any documentation multiple party account(s) and restrict transactions in such account(s) as we multiple party account(s) resulting from the completion of transactions initiated prior to the receipt by us of written notice of the multiple party account owner's death, or incurred in the liquidation of the multiple party may deem necessary to protect us against any tax, liability, penalty or loss under any applicable laws, regulations or rules. The estate of any deceased multiple party account owner shall be liable and each surviving multiple or inheritance or estate tax waivers, retain any portion of the assets in the party account owner shall continue to be jointly and severally liable to us for any debt owed to us and/or our Affliates or any amount due in the Each multiple party account owner agrees that, in the event of the death account(s) or the adjustment of the interests of the respective multiple party account owners or their representatives or heirs.

CLIENT AGREEMENT :04/2018) GWMCLIEN

(A) Joint Tenancy With Right of Survivorship Account

any manner releasing the deceased account owner's sexter from any liability. You hereby agree that your estate and any surviving account owners will be jointly and severally liable and will fully indennify and hold harmless in the account shall pass to and be vested in the surviving account owner(s) Morgan Stanley from all liability for any taxes, liabilities, penalties or other account owner agrees that upon the death of any account owner, all assets terms and conditions as previously held, without in which may become due in connection with such death or any claims Unless you instruct us to establish another form of multiple party ownership, you hereby acknowledge that any multiple party account shall be a joint tenancy with right of survivorship. If the multiple party account(s) is a joint tenancy with right of survivorship account, each pursuant to the same

(B) Community Property Account

by third parties.

in the community property account(s), and to make payments to either account owner of any or all funds at any time in the community property account(s) as either account owner may order and direct, even if such deliveries and/or payments shall be made to one of the account owners in his/her individual capacity. In the event of any such deliveries of securities or payments of funds to either account owner. Morgan Stanley shall be of finds, and Morgan Stanley shall have no responsibility to determine the disposition of said securities and/or funds delivered or paid to either account conner. The rights and powers granted to Morgan Stanley and the community property account owners herein are in lieu of all powers, rights or privileges of the community property account owners to exercise control community property interest in the community property account(s) and all assets therein pursuant to applicable laws, rules and regulations. Morgan Stanley is authorized to follow the instructions of either account under no duty or obligation to make inquiries regarding the purpose or propriety of any demand or order for delivery of securities or payment owner in every respect concerning the community property account(s) and to make deliveries to either account owner of any or all assets held If you instruct us to establish a community property account, you acknowledge that it is the intention of each account owner to have a over the community property account(s) that may be granted to the owners under applicable state community property law.

(C) Community Property With Right of Survivorship Account

harmless Morgan Stanley from all liability for any taxes, liabilities, penalties or other costs which may be owed in connection with such death or any any liability. You hereby agree that your estate and any surviving account owner will be jointly and severally liable and will fully indemnify and hold property account(s) shall be vested in the surviving community property account owner, without releasing the deceased account owner's estate from community property account owner, the entire interest in the community If you instruct us to establish a community property account with right of survivorship, in addition to the terms and conditions contained in Section B immediately above, you agree that upon the death of either claims by third parties.

(D) Tenants in Common Account

If you instruct us to establish a tenants in common account, then upon our the tenants in common account(s) shall be distributed equally among the int owner and the surviving account owners, receipt of notice of the death of any of the account owners, the int unless you have instructed Morgan Stanley otherwise. estate of the deceased acco-

distribution of the deceased account owner's share of the assets shall be deducted from the share owned by the deceased account owner's estate. Any taxes, costs, expenses or other charges in connection with the distribution of the

(E) Tenancy by the Entirety Account (only available in certain states)

maintain your residence in a state permitting intangible property to be owned as tenants by the entirey. You agree to promptly notify us if either If you instruct us to establish an account as tenants by the entirety, you epresent that (a) you are lawfully married to each other and (b) you of these circumstances change.

tenancy by the entirety account, and to make payments to either account owner of any or all funds at any time in the tenancy by the entirety accour owner in every respect concerning the tenancy by the entirety account and payments of funds to cither account owner, Motgan Stanley shall have no duty or obligation to make inquiries regarding the purpose or propriety o any demand or order for delivery of securities or payment of funds, and to make deliveries to cither account owner of any or all assers held in the Morgan Stanley is authorized to follow the instructions of either account as either account owner may order and direct, even if such deliveries and/or payments shall be made to one of the account owners in his/her individual capacity. In the event of any such deliveries of securities or Morgan Stanley shall have no responsibility to determine the disposition any secutities and/or funds delivered or paid to either account owner.

(F) Custodial Account

If you are a custodian of an account established under the Uniform Gifts to Minors Act (UGMA) or the Uniform Transfers to Minors Act (UTMA), you represent and agree that all disbursements made pursuant to your instructions are for lawfill purposes and for the exclusive use and bracket of the minor account owner, of for reinbursement of expenses previously incurred for lawful purposes and for the exclusive benefit of the minor. You agree on your own behalf and on behalf of the minor account owner to indemnify and hold harmless Morgan Stanley for following your instructions. indemnify and hold harmless Mongan Stanley for routowing your insuraccountries from any four further agree to indemnify and hold harmless Mongan Stanley from any and all liability in connection with any dishusement from any UTMA or UGMA account for which you are the custodian, including, but not limited the server of the control of th to, liability resulting from any claim by the minor account

22. Restricted Securities

Morgan Stanley if you are, or become, an "affiliate" or a "control person" as defined by the Securities Act of 1933, or a "reporting person" under Section 16 of the Securities Exchange Act of 1934, with respect to any securities You acknowledge that various laws, rules and regulations regarding the resale, transfer, delivery or negotiation of securities may be applicable to transcrious in your account(s). You agree that it is your responsibility to held in your account(s). You agree to comply with all policies, procedures and documentation requirements with respect to "restricted" and/or notify Morgan Stanley of any restrictions on securities in your account(s) and to ensure that any transactions with Morgan Stanley will be in conformity with such laws, regulations and rules. You agree to notify control" securities.

including, but not limited to, those pertaining to insider trading. In order for Morgan Stanley to accept orders with respect to securities in your account(s), you represent that, unless you notify Morgan Stanley otherwise such securities or transactions are not subject to the laws, rules and regulations regarding "restricted" and "control" securities. You understand that if you engage in transactions that are subject to any special conditions under applicable law, regulation or rule, those transactions may be delayed or canceled pending fulfillment of any such conditions. issuer of a security, any transactions in that security may be governed by the insider trading policy of the issuer of that security and you agree to comply with such policy and all applicable laws, regulations and rules, You acknowledge that if you are an employee or an "affiliate" of the

CLIENT AGREEMENT (04/2018) GWMCLIEN

Keep This For Your Records

PAGE 13 0F 14 NY CS 9172643 04/18

PAGE 12 OF 14 NY CS 9172643 04/18

Keep This For Your Records

GWMCLIEN

GWMCLIEN

23. Accuracy of Account Information/Updates to Account Information

You agree to provide Morgan Stanley with your personal and financial information, including, but not limited to, information about your investments and financial holdings outside of Morgan Stanley, your investment experience, investment intended production, liquidity needs, investment objectives and risk tolerance. You agree to promptly notify investment objectives and risk tolerance. You agree to promptly notify to Morgan Stanley of suny marterial changes to the information you provide, a You acknowledge and understand that Morgan Stanley will rely on the accuracy of any information you provide and your agreement to promptly notify us of any material changes to that information.

You further agree to promptly notify us of any material change in your financial circumstances requiring the reorganization of your fiabilities or the liquidation of your asses, including, without limitation, the filing by, against or on behalf of you of a petition or other proceeding under any applicable bankruptcy or insolvency laws.

You agree to provide to us full and complete copies of any court order or any order document(s) that defines, limits or restricts the activity that can be conducted in your account(s). You agree to defend, indennify and shold us harmless from any threatened or actual claim made by a third party alleging that activity in your account(s) was inconsistent with or in violation of any court order or other restriction or limitation on your account(s).

24. For Persons Filing IRS Form W-9 and Living Outside the United States

You represent to Morgan Stanley that (i) your account(s) with Morgan Stanley and/or our Affiliates and any Property therein, including income with respect to such Property has been ovail ble timely declared to all relevant non-United States tax authorities or that such Property is not legally required to be declared to all relevant non-United States tax and non-United States tax and non-United States tax and non-United States in training the order convicted of any axe crime in any non-United States have informed to the state of the

You agree to promptly notify Morgan Stanley in writing if any of the above tax related representations ceases to be true.

Morgan Stanley

© 2018 Morgan Stanley Smith Barney LLC. Member SIPC.

GWMCLIEN

NY CS 9175348 04/18 CLIENT AGREEMENT (04/2018) GWMCLIEN PAGE 14 OF 14 NY CS 9172643 04/18 109/127



Action

Item

Approval of Resolution for Morgan Stanley Account

Re: Transfer of Charitable Remainder Trust

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Executive Management Jeff McBride, CEO Joyce Kirchhofer, CFO

RECOMMENDATION:

The Board of Directors approves the resolution required by Morgan Stanley to open a Charitable Remainder Trust account to transfer Carr Family C.R.T. from Pomona Valley YMCA to YMCA of Orange County.

REASON FOR ACTION:

YMCA of Orange County through asset transfer agreement is acquiring all assets of Pomona Valley YMCA. Pomona Valley YMCA has a Morgan Stanley account specifically for the Carr Family C.R.T. To transfer the final assets the YMCA of Orange County needs to open an account with Morgan Stanley to transfer said funds.

FINANCIAL IMPACT AND FUNDING SOURCE:

Funds being transferred \$77,416 as of statement dated April 30, 2018





Kayanaa	For Internal Use	te constant		
-	Branch No.	Account No.	Financial Advisor No.	
THE RESERVE			L	

Morgan Stanley

Authorized Persons and Enabling Resolutions for Corporations

In consideration of Morgan Stanley Smith Barney LLC ("MSSB") opening and/or maintaining one or more accounts for the corporation named below, I, the undersigned duly authorized officer, hereby certifies and agrees as follows:

1. General Information
The full legal name of the corporation (the "Corporation") to which this document applies is: UNIS Mens Christian Historian State of Incorporation or Non-u.s. Jurisdiction
2 Authorized Persons

2. Authorized Persons

MSSB is hereby authorized to accept investment instructions and other instructions from the officers of the Corporation and/or other individuals listed below ("Authorized Persons"). These privileges include, but are not limited to, the authority to make distributions (e.g., of cash or securities) and transfers by check or otherwise to anyone, including the undersigned officers and/or other individuals.

If MSSB receives conflicting instructions from different Authorized Persons, or reasonably believes instructions from one Authorized Person might conflict with the wishes of another Authorized Person, MSSB may do any of the following: (a) choose which instructions to follow and which to disregard; (b) suspend all activity in the account until written instructions signed by all Authorized Persons are received; (c) close the account and deliver all securities and other property, net of debits or liabilities, to the address of record; and/or (d) take other action deemed necessary to protect the interests of MSSB.

(ALL AUTHORIZED PERSONS MUST COMPLETE THIS SECTION, EVEN IF ALSO SIGNING ON BEHALF OF THE CORPORATION AT THE END OF THIS DOCUMENT.) MID

NAME TIK Dride	PRIMARY RESIDENCE: ADDRESS		
SIGNATURE	SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE
NAME OU KITCHOFEE	PRIMARY RESIDENCE: ADDRESS		
SIGNATURE	SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE
NAME	PRIMARY RESIDENCE: ADDRESS		
SIGNATURE	SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE
NAME	PRIMARY RESIDENCE: ADDRESS		
SIGNATURE	SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE



For Internal Use	Only	
Branch No.	Account No.	Financial Advisor No.
harmonia and the second		

3. Enabling Resolutions

The following is a full, true and correct copy of Resolutions duly and regularly adopted by vote of the Board of Directors of the Corporation. Such Resolutions have not been rescinded or modified and are in full force and effect.

RESOLVED:

FIRST, that the Authorized Persons are, and each of them hereby is, authorized and empowered to the fullest extent possible, to act on behalf of the Corporation, to establish and maintain with MSSB one or more cash accounts, margin accounts, BusinesScape accounts, commodities accounts, or any other type of account offered by MSSB and its applicable affiliates ("Account"), for the purpose of purchasing, investing in, or otherwise acquiring, selling (including short selling), possessing, transferring, exchanging, borrowing, pledging or otherwise disposing of, and generally dealing in and with, cash and any and all forms of securities and financial instruments, including, but not limited to shares, stocks, bonds, debentures, notes, scrip, participation certificates, rights to subscribe, options, warrants, futures, commodities, commodity futures and/or options on futures, certificates of deposits, mortgages, evidence of indebtedness, commercial paper, and interests of any and every kind and nature whatsoever, secured and unsecured, whether represented by trust, participating and/or other certificates or otherwise.

SECOND, that, without obligation on MSSB's part to inquire, instructions or actions, by any Authorized Person shall individually have the fullest authority on behalf of the Corporation with respect to the Account including, but not limited to, authority to:

- 1) give written or oral instructions to MSSB with respect to any securities in, or transaction or service offered in connection with, the Account;
- 2) deposit or withdraw money, securities and other property of the Corporation to and from the Account;
- 3) borrow money from MSSB and secure payment thereof with the property of the Corporation;
- 4) bind the Corporation to any contract, arrangement or transaction, which shall be entered into by any Authorized Person with or through MSSB;
- 5) make payments related to the Account by checks and/or drafts drawn upon the funds of the Corporation;
- 6) endorse any securities in order to pass ownership thereof or for any other purpose;
- 7) direct the sale or exercise of any rights with respect to securities therein;
- 8) sign releases and powers of attorney and enter into contracts and agreements, including but not limited to any MSSB account agreements and documentation relating to any debit or credit card, the checkwriting privilege, online services, electronic fund transfers and other services which are or may be offered in connection with the Account (where available), as such documents may be modified from time to time, and any documentation permitted or contemplated by such agreements, products and services, and to affix the corporate seal to same when necessary;
- 9) direct MSSB to surrender securities to the proper agent or party for the purpose of effecting any exchange or conversion, or otherwise; and 10) take any and all action action in connection with the Account deemed necessary or desirable by any Authorized Person.

THIRD, that any Authorized Person may appoint any person(s) ("Designated Persons") to: (1) conduct trading in the Account; (2) endorse any securities, or to make, execute and deliver, under the corporate seal of the Corporation or otherwise, any instrument of assignment and/or transfer necessary or proper to pass title to such securities; (3) sign checks (in which event, the signature of the Designated Person shall promptly be provided on any applicable signature card upon request by MSSB); (4) use any associated debit or credit card (where available); or (5) provide instructions to effect electronic fund transfers.

FOURTH, that each Authorized Person is empowered and authorized to do all things each deems necessary or desirable to implement the foregoing Resolutions.

FIFTH, that MSSB may deal with any and all of the persons directly or indirectly empowered by foregoing Resolutions as though they are dealing with the Corporation directly.

AUTHORIZED PERSONS AND ENABLING RESOLUTIONS FOR CORPORATIONS (12/2014) NNAAAER

	For Internal Use Only						
and the last	Branch No.	Account No.	Financial Advisor No.				
the spinors of							
Į			L				

SIXTH, that the Secretary of Corporation (or other duly designated officer) is hereby authorized and empowered to certify to MSSB, under the seal of the Corporation or otherwise:

- (a) a true, correct and complete copy of these Resolutions;
- (b) specimen signatures of each Authorized Person and each Designated Person empowered by these Resolutions, if so requested by MSSB;
- (c) a certificate (which, if required by MSSB, shall be supported by an opinion of the general counsel of the Corporation, or other counsel satisfactory to MSSB) that the Corporation is duly organized and in good standing, that the corporate charter authorizes the action or business described in these Resolutions, and that no limitation has been imposed upon such powers by constitution, statute, regulation, charter, by-law or otherwise.

SEVENTH, that MSSB may rely upon any certification given in accordance with these Resolutions as continuing fully effective unless and until MSSB shall receive due written notice of an amendment, modification or rescission of such Resolutions or certification. Further resolved that MSSB shall not be liable for any action taken or not taken upon instruction of any Authorized Person or Designated Person prior to MSSB's actual receipt of written notice of the termination or impairment of such person's authority. The failure to supply any specimen signature shall not invalidate any transaction which is in accordance with authority previously granted. Further resolved that the Corporation shall indemnify and hold harmless MSSB and any of its subsidiaries and affiliates from any and all claims that a transaction was unauthorized or outside the scope of the Corporation's powers, if such transaction was authorized by any of the Authorized Persons or Designated Persons.

EIGHTH, that in the event of any change in the office or powers of persons hereby empowered, the secretary (or other duly designated officer), shall certify such changes to MSSB, in writing, which certification, when MSSB receives it, shall terminate the powers of the persons previously authorized and empower the persons thereby substituted in accordance with all the provisions of these Corporate Resolutions.

NINTH, that the Corporation hereby authorizes MSSB to charge any amount due to MSSB under any arrangement with the Corporation, against any or all of the accounts and other property of the Corporation held with MSSB or any of its affiliates, with the Corporation remaining liable for any deficiency and each Authorized Person or Designated Person is authorized and directed to pay to MSSB by checks and/or drafts drawn upon the funds of the Corporation such sums as may be necessary to discharge the Corporation's obligations to MSSB.

TENTH, Corporation agrees that MSSB may apply these Resolutions to any accounts in the name of the Corporation.

The following three (3) resolutions are applicable only to Native American Tribes:

ELEVENTH, that Section 15 of the Client Agreement is modified to include the following language: The Tribe agrees:

- (a) that binding arbitration shall be the exclusive formal remedy for all disputes, controversies or claims between the Tribe and MSSB, including its agents, assigns or Affiliates (collectively, "MSSB"), as further described in Section 15 of the Client Agreement;
- (b) that such arbitration shall provide final and binding resolution of any dispute between the parties;
- (c) that the Tribe expressly and irrevocably waives its immunity from suit as well as its rights to seek or exhaust tribal remedies and that the waiver granted herein includes the arbitration of disputes as contemplated by Section 15 of the Client Agreement, as well as any actions in any court of competent jurisdiction to compel arbitration and to enforce an arbitration award;
- (d) that the waivers of sovereign immunity and of the right to demand exhaustion of tribal remedies shall survive the expiration, termination or cancellation of the Client Agreement; and
- (e) that, if enforcement of an arbitration award or a judicial order becomes necessary by reason of failure of one or both parties to voluntarily comply, the Tribe waives its sovereign immunity from any final judgment or order of a court of competent jurisdiction enforcing an arbitration award.

AUTHORIZED PERSONS AND ENABLING RESOLUTIONS FOR CORPORATIONS (12/2014) NNAAAER

For Internal Use Only						
a constitution a	Branch No.	Account No.	Financial Advisor No.			
		·				

TWELFTH, that the Tribe certifies that none of the monies, securities, funds or other property invested or to be invested by the Tribe in accordance with the Client Agreement and this resolution, or paid or to be paid to MSSB in accordance with the Client Agreement and this resolution, constitute (a) funds held by the United States in trust for the Tribe or for members of the Tribe, or (b) funds obtained by the Tribe from the United States of America or any State government or agency for the purpose of carrying out projects or programs specified by the United States of America or any State government or agency, other than funds received by the Tribe, pursuant to one or more guarantee contracts with the United States Department of Housing and Urban Development ("HUD"), for the purpose of funding affordable housing activities under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.).

THIRTEENTH, that the Tribe certifies, to the extent the Tribe is investing funds that are part of a tribal trust fund for minor members of the Tribe or subject to the requirements of a tribal trust fund or a HUD depository agreement, that investment instructions provided by the Tribe to MSSB with respect to such funds will comply with all legal requirements applicable to such funds.

4. Certification of the Duly Authorized Officer of the Corporation

IN WITNESS WHEREOF, I have hereunto affixed my hand (and the seal of the Corporation).

I hereby certify that I am the Duly Authorized Officer of the Corporation named above, a corporation duly organized and existing under the laws of the State of Incorporation or other non-U.S. jurisdiction, that the Corporation is in good standing and qualified to do business in this state or other non-U.S. jurisdiction. I further certify that the Resolutions herein are a true, correct and complete copy of Resolutions duly adopted at a meeting of the Board of Directors of the Corporation held on the date specified below, at which meeting a quorum was present and voting; that such Resolutions are in accordance with the charter and by-laws of the Corporation, are in full force and effect and have not been amended, modified or rescinded.

SIGNATURE OF DULY AUTHORIZED OFFICER

DATE (MM/DD/YYYY)

DATE OF MEETING OF BOARD OF DIRECTORS

5. Authority of the Corporate Duly Authorized Officer

The Corporation certifies that the Corporate Duly Authorized Officer, whose name appears above in the Certification, has been duly elected to and now holds that office and that the signature appearing opposite his or her name is his or her true signature.

PRINT NAME OF CERTIFYING PARTY

TITLE OF CERTIFYING PARTY

DATE (MM/DD/YYYY)

© 2014 Morgan Stanley Smith Barney LLC. Member SIPC.



SIGNATURE OF CERTIFYING PARTY

AUTHORIZED PERSONS AND ENABLING RESOLUTIONS FOR CORPORATIONS (12/2014) NNAAAER

NNAAAER

NAO

PAGE 4 OF 4 NY CS 8060860 12/14



Action

Item

Approval of Resolution Re: Updating the signators for the Bahnsen Hightower Investment Account

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Rosanna Coveyou, Chair Jeff McBride, President, CEO Joyce Kirchhofer, CFO

RECOMMENDATION:

The Board of Directors approves the resolution for Bahnsen Group Hightower Advisors updating the signators for the investment account and future transactions as deemed necessary.

REASON FOR ACTION:

The financial institutions require Board approval of the authorized signers for establishment of and transactions for the investment accounts. This Resolution adds Rosanna Coveyou, Board Chair as signator to the investment account.

FINANCIAL IMPACT AND FUNDING SOURCE:

None





	Re	2S E	et	ile o	Prim	
Account Number						

Amendment to the Corporate Resolution

Account Owner(s) ("You") use this form to add or remove Authorized Individuals from your account at Fidelity Investments. Type on screen or print out and fill in using CAPITAL letters and black ink. If you need more room for information or signatures, use a copy of the relevant page.

Helpful To Know

- This form is for corporate and unincorporated business
- If the account has checkwriting, include a completed Check Card and Checkwriting Form with this form to update the signers for the account.
- If the account has options trading, include a new Options
- Any Authorized Individual identified on this form can enroll the account in eDelivery.

Authorized Agent/Advisor		
HIGHTOWER		G 1 7 1 0 8 7 5 0

1. Account Information

Legal Name of Business or	Organization		Name of state where organized			
YOUNG MEN'S	CA					
Required	Taxpayer 1D Number*	Daytime Phone	Ext			
SSN 🗹 TIN	9 5 1 6 4 4 0 5 5	7 1 4 5 0 8 7 6 1 2				
*SSN if sole proprietor with no TIN						

Permanent Address of Account

Address (Required - Cannot be a Post Office Box)			
13821 NEWPORT AVENUE, SUITE 200			
City	State/Province	Zip/Postal Code	Country
TUSTIN	CA	9 2 7 8 0	USA

Mailing Address of Account

Complete only if different
from Permanent Address.

	 				_	
Address				They are		
Cıty		State/Province	Zip/Postal Code	Country		
						- 1

Resolutions and Signature of Certifying Officer

Certifying Officer

By signing below, you certify all items that apply to your type of entity and registration are true, you make all authorizations indicated, and you affirm that you are authorized to make those representations.

All Business Entities

 Each Authorized Individual named in this form is fully authorized to open a brokerage account in the name of the business entity identified as the owner in this form, to place orders on the account and to execute any instrument incidental to that (such as applying for margin or options), to act in a sole capacity in these regards, and to act on

behalf of the business entity as may be more fully described in the customer agreement.

- · Fidelity may obtain credit or other financial responsibility reports with respect to any Authorized Individual. All individuals who may be the subject of these reports have been notified of this possibility.
- You are an officer of the business entity who is authorized to make these certifications on

behalf of the business entity, and to express the consent of all Authorized Individuals to Fidelity's right to obtain financial reports concerning them.

Corporations Only

 Each Authorized Individual named in this form has been duly appointed.

Name of Certifying Officer First, M.I., Last	Title
MICHAEL HAHN	SECRETARY
Signature of Certifying Officer	Date MM - DD - YYYY
SIGN	

2. Authorized Individual

If you are using this form to add Authorized Individuals to this account, complete the information below in its entirety for each of the individuals. To remove Authorized Individual(s), indicate the individual below and then proceed to Section 4. Note: Unless otherwise indicated, existing individuals on your account will not be affected and will retain their current authorizations. Authorized Individual 🗹 Add 🗌 Remove (only First Name, Middle Name, Last Name is required) First Name Middle Name Last Name To add or remove more individuals, COVEYOU ROSANNA duplicate this section. U.S. Driver's License Number if applicable Social Security/Taxpayer ID Number Date of Birth MM DD YYYY Required Additional paperwork may be required if the SSN TIN CA individual is an entity. Ext. Institution Name **Evening Phone** Daytime Phone 9 4 9 6 8 0 9 2 2 8 E-mail* RCOVEYOU@GMAIL.COM U.S. Mail - Please send the following document types to me by U.S. mail instead of electronically: Monthly Account Statements Immediate and Quarterly Trade Confirms Prospectuses, other financial reports, etc. *Fidelity will use this e-mail address for electronic delivery of account documents. Unless U.S. Mail is checked for all document types, you will receive a follow-up e-mail from Fidelity and will need to consent to begin receiving documents electronically. See Section 3 for more information regarding eDelivery. Your Permanent Address Address (Required - Cannot be a Post Office Box) State/Province Zip/Postal Code Country City 9 2 6 7 6 USA LAGUNA NIGUEL CA Your Mailing Address Address Complete only if different from Permanent Address. State/Province Zip/Postal Code Country City **U.S. Citizens** ☑ U.S. Citizen and tax resident Skip to Employment Information. Foreign Citizens ☐ Non-Resident of U.S. Check one. Permanent U.S. Resident Non-Permanent U.S. Resident Country of Citizenship Country of Tax Residency City of Birth State/Province of Birth Country of Birth Government Identification Attach copy of the Passport with U.S. Visa ☐ Employment Authorization Document U.S. Driver's License unexpired Government ID showing number ☐ Foreign National Identity Document Passport without U.S. Visa ☐ DHS Permanent Resident Alien Card and photo. State If driver's license Country of Issuance If not U.S. ID Number Not required for U.S. driver's license

(continued on next page)

027870002

(continued)

2. Authorized Individual

Check one.									
	Occupation		If retired or not emplo	oyed					
	Employer Name			Employer's Taxpayer ID	Number				
	LAGUNA COVE, INC.			1 1 1 1 2					
	Address								
	567 SAN NICOLAS DR, STE. 230								
	City	State/Province	Zip/Postal Code	Country					
	NEWPORT BEACH	CA	9 2 6 6	0 USA					
Affiliations									
	Securities Industry Affiliations								
Check all that apply.									
	☐ Same as employer above.								
f you are affiliated, include the compliance officer's letter of approval ("407	Entity Name								
letter") and indicate your company's name and address here.	Address								
Failure to include an approval letter may delay the processing of your	City	State/Province	Zip/Postal Code	Country					
request. We must tell your mployer you have applied	Public Company Affiliations								
for this account.	You are a control person or affiliate or an immediate family/household member of a control person or associate of a publicly traded company under SEC Rule 144 (this would include, but is not limited to, a director, 10% shareholder, policy-making officer, and members of the board of directors).								
	Company Name			CUSIP or Symbol					
	Company Name			CUSIP or Symbol					

3. Electronic Delivery

By providing your e-mail address in this form, you have elected to receive Statement, Trade Confirmation, Prospectuses, Financial Reports and other documents electronically. If you do not want any of these document types to be delivered to you electronically, you can choose U.S. Mail delivery for that document type.

By receiving documents electronically, you may be eligible for reduced trading commissions. Please consult your Authorized agent/Advisor for more details. In order to begin receiving documents electronically, you will need to read the Electronic Delivery Agreement and agree to its terms. You will receive this agreement at the e-mail address you provide.

Please note:

- Your delivery preferences are applied across all Fidelity accounts owned by you based upon your most recent election. Therefore, your choice of electronic or paper delivery
- for this new account will be applied to all accounts unless you elect otherwise in the future. Any individual listed as an Authorized Individual can enroll in electronic delivery to suppress mailed documents for this account.
- The e-mail address provided should not be your Authorized agent/Advisor's e-mail
- This e-mail address will replace any existing e-mail address already on our system.

4. Signatures and Dates Form cannot be processed without signatures and dates.

Signatures of Authorized Individuals Being Added to This Account

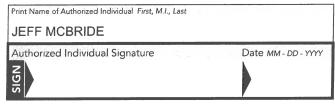
By signing below, you acknowledge and agree that:

- To help the government fight money laundering and the funding of terrorism, federal law requires Fidelity to obtain your name, date of birth, address, and a government-issued ID number before opening your account, and to verify the information. In certain circumstances, Fidelity may obtain and verify comparable information for any person authorized to make transactions in an account or beneficial owners of certain entities. Further documentation may be required for certain entities. Your account may be restricted or closed if Fidelity cannot obtain and verify this information. Fidelity will not be responsible
- for any losses or damages (including, but not limited to, lost opportunities) that may result if your account is restricted or closed.
- Your authorized agent/Advisor or Fidelity has provided to you a complete copy of the Client Account Agreement that governs the brokerage account on which you are being authorized and you have read, understood and agree to the terms as they are today and as they may be amended in the future.
- You are at least 18 years of age, of full legal age in the state in which you reside, and fully authorized to act on this account.
- All information about you and any other authorized individual is true, accurate, and complete, to the fullest extent of your knowledge, including information about securities industry affiliations, which you answer under penalties of perjury.
- If you have not checked the box for Affiliations, you represent and warrant that you are not affiliated with or employed by a stock exchange or a broker-dealer or you are not a control person or affiliate or a public company under SEC Rule 144 (such as a director, 10% shareholder, or a policy-making officer), or an immediate family or household member of such a person.

Authorized Individual(s) Signature(s)

All Authorized Individual(s) being added to this account with this form or any attached duplicated pages must sign below. If two or more individuals, duplicate and attach Section 2 for each individual and sign below.

Signature and Date Required.



Print Name of Authorized Individual First, M.I., Last	Company of the second
ROSANNA COVEYOU	
Authorized Individual Signature	Date MM - DD - YYYY
Sign	

Print Name of Authorized Individual First, M.I., Last JOYCE KIRCHHOFER	
Authorized Individual Signature	Date MM - DD - YYYY

Print Name of Authorized Individual First, M.I., Last	
JULIETTE MEUNIER	
Authorized Individual Signature	Date MM - DD - YYYY
NBIS	

Fidelity Brokerage Services LLC, Member NYSE, SIPC

1.911760.100 - 598162.1.0 (12/11)





Action

Item

Approval of Resolution Re: Removing the signator of former Board Chair from Bahnsen Hightower Investment Account

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Rosanna Coveyou, Chair Jeff McBride, President, CEO Joyce Kirchhofer, CFO

RECOMMENDATION:

The Board of Directors approves the resolution for Bahnsen Group Hightower Advisors removing Christy Lewis as a signator for the investment account and future transactions as deemed necessary.

REASON FOR ACTION:

Christy Lewis has been removed from the account effective March 21, 2018 and this Resolution is required to formalize that action.

FINANCIAL IMPACT AND FUNDING SOURCE:

None





		$R\epsilon$	ese	rt			Print
ccount Num	ber	0101			À	7	
1 1							

Amendment to the Corporate Resolution

Account Owner(s) ("You") use this form to add or remove Authorized Individuals from your account at Fidelity Investments. Type on screen or print out and fill in using CAPITAL letters and black ink. If you need more room for information or signatures, use a copy of the relevant page.

Helpful To Know

- This form is for corporate and unincorporated business entities only.
- If the account has checkwriting, include a completed Check Card and Checkwriting Form with this form to update the signers for the account.
- If the account has options trading, include a new *Options* Application.
- Any Authorized Individual identified on this form can enroll the account in eDelivery.

Authorized Agent/Advisor			11948112	117.5	1 1 21	47					1,141	- /-
HIGHTOWER	 		 				G 1	7	1:0	8	7 5	0

1. Account Information

Legal Name of Business or C	Organization		Name of state where organized
YOUNG MEN'S	CHRISTIAN ASSOCIATION	OF ORANGE COUNTY	CA
Required	Taxpayer ID Number*	Daytime Phone	Ext.
SSN 🗹 TIN	9 5 1 6 4 4 0 5 5	7 1 4 5 0 8 7 6 1 2	

Permanent Address of Account

Address (Required - Cannot be a Post Office Box)			
13821 NEWPORT AVENUE, SUITE 200			
City	State/Province	Zip/Postal Code	Country
TUSTIN	CA	9 2 7 8 0	USA

Mailing Address of Account

Complete only if different from Permanent Address.	Address	* * * * * * * * * * * * * * * * * * *	New Property		MANUAL SELECTION	11-8-11		1. 1. 1.
	City			State/Province	Zip/Postal Code	Country	Je	

Resolutions and Signature of Certifying Officer

Certifying Officer

By signing below, you certify all items that apply to your type of entity and registration are true, you make all authorizations indicated, and you affirm that you are authorized to make those representations.

All Business Entities

Each Authorized Individual named in this
form is fully authorized to open a brokerage
account in the name of the business entity
identified as the owner in this form, to
place orders on the account and to execute
any instrument incidental to that (such as
applying for margin or options), to act in a
sole capacity in these regards, and to act on

behalf of the business entity as may be more fully described in the customer agreement.

- Fidelity may obtain credit or other financial responsibility reports with respect to any Authorized Individual. All individuals who may be the subject of these reports have been notified of this possibility.
 You are an officer of the business entity who
- You are an officer of the business entity who is authorized to make these certifications on

behalf of the business entity, and to express the consent of all Authorized Individuals to Fidelity's right to obtain financial reports concerning them.

Corporations Only

 Each Authorized Individual named in this form has been duly appointed.

Name of Certifying Officer First, M.I., Last	Title	
MICHAEL HAHN	SECRETARY	
Signature of Certifying Officer	Date MM-DD-YY	Y
SIGN	•	

^{*}SSN if sole proprietor with no TIN.

2. Authorized Individual

If you are using this form to add Authorized Individuals to this account, complete the information below in its entirety for each of the individuals. To remove Authorized Individual(s), indicate the individual below and then proceed to Section 4. Note: Unless otherwise indicated, existing individuals on your account will not be affected and will retain their current authorizations. Authorized Individual 🔲 Add 🗹 Remove (only First Name, Middle Name, Last Name is required) Middle Name To add or remove First Name Last Name more individuals, **CHRISTY LEWIS** duplicate this section. Date of Birth MM DD YYYY Social Security/Taxpayer ID Number U.S. Driver's License Number if applicable State Required Additional paperwork may be required if the ☐ SSN ☐ TIN 1 2 0 8 1 9 7 individual is an entity. Institution Name Daytime Phone Evening Phone Fxt 7 1 4 5 8 1 8 8 0 8 E-mail* U.S. Mail - Please send the following document types to me by U.S. mail instead of electronically: ☐ Monthly Account Statements ☐ Immediate and Quarterly Trade Confirms ☐ Prospectuses, other financial reports, etc. *Fidelity will use this e-mail address for electronic delivery of account documents. Unless U.S. Mail is checked for all document types, you will receive a follow-up e-mail from Fidelity and will need to consent to begin receiving documents electronically. See Section 3 for more information regarding eDelivery. Your Permanent Address Address (Required – Cannot be a Post Office Box) City State/Province Zip/Postal Code Country **Your Mailing Address** Address Complete only if different from Permanent Address. City State/Province Zip/Postal Code Country U.S. Citizens U.S. Citizen and tax resident Skip to Employment Information. Foreign Citizens Check one. Non-Resident of U.S. Permanent U.S. Resident Non-Permanent U.S. Resident Country of Citizenship Country of Tax Residency City of Birth State/Province of Birth Country of Birth Government Identification Attach copy of the U.S. Driver's License Employment Authorization Document Passport with U.S. Visa unexpired Government ID showing number DHS Permanent Resident Alien Card ☐ Foreign National Identity Document Passport without U.S. Visa and photo. State If driver's license

(continued on next page)

1.911760.100 027870002 Page 2 of 4

Country of Issuance If not U.S.

ID Number Not required for U.S driver's license

(continued)

2. Authorized Individual

Employment Information	n							
Check one.	☐ Employed ☐ Not Employed ☐ Retired							
	Occupation	Income Source	If retired or not emplo	pyed				
	Employer Name			Employer's Taxpayer ID Number				
	Address							
	City	State/Province	Zip/Postal Code	Country				
A (())								
Affiliations								
Check all that apply.	Securities Industry Affiliations	L						
eneck un that apply.	You are affiliated with, or employed by, a stock exc Authority (FINRA), or a municipal securities dealer.	nange or a me	mber firm of an	exchange or Financial Regulatory				
	☐ Same as employer above.							
If you are affiliated, include the compliance officer's letter of approval ("407	Entity Name							
letter") and indicate your company's name and address here.	Address			19				
Failure to include an approval letter may delay the processing of your	City	State/Province	Zip/Postal Code	Country				
request. We must tell your employer you have applied	Public Company Affiliations							
for this account.	You are a control person or affiliate or an immediate family/household member of a control person or associate of a publicly traded company under SEC Rule 144 (this would include, but is not limited to, a director, 10% shareholder, policy-making officer, and members of the board of directors).							
	Company Name	-, , -		CUSIP or Symbol				
	Company Name		residente de la companya de la comp	CUSIP or Symbol				

3. Electronic Delivery

By providing your e-mail address in this form, you have elected to receive Statement, Trade Confirmation, Prospectuses, Financial Reports and other documents electronically. If you do not want any of these document types to be delivered to you electronically, you can choose U.S. Mail delivery for that document type.

By receiving documents electronically, you may be eligible for reduced trading commissions. Please consult your Authorized agent/Advisor for more details. In order to begin receiving documents electronically, you will need to read the Electronic Delivery Agreement and agree to its terms. You will receive this agreement at the e-mail address you provide.

Please note

- Your delivery preferences are applied across all Fidelity accounts owned by you based upon your most recent election. Therefore, your choice of electronic or paper delivery
- for this new account will be applied to all accounts unless you elect otherwise in the future. Any individual listed as an Authorized Individual can enroll in electronic delivery to suppress mailed documents for this account.
- The e-mail address provided should not be your Authorized agent/Advisor's e-mail
- This e-mail address will replace any existing e-mail address already on our system.

4. Signatures and Dates Form cannot be processed without signatures and dates.

Signatures of Authorized Individuals Being Added to This Account

By signing below, you acknowledge and agree that:

- To help the government fight money laundering and the funding of terrorism, federal law requires Fidelity to obtain your name, date of birth, address, and a government-issued ID number before opening your account, and to verify the information. In certain circumstances, Fidelity may obtain and verify comparable information for any person authorized to make transactions in an account or beneficial owners of certain entities. Further documentation may be required for certain entities. Your account may be restricted or closed if Fidelity cannot obtain and verify this information. Fidelity will not be responsible
- for any losses or damages (including, but not limited to, lost opportunities) that may result if your account is restricted or closed.
- Your authorized agent/Advisor or Fidelity
 has provided to you a complete copy of the
 Client Account Agreement that governs the
 brokerage account on which you are being
 authorized and you have read, understood
 and agree to the terms as they are today and
 as they may be amended in the future.
- You are at least 18 years of age, of full legal age in the state in which you reside, and fully authorized to act on this account.
- All information about you and any other authorized individual is true, accurate, and complete, to the fullest extent of your knowledge, including information about securities industry affiliations, which you answer under penalties of perjury.
- If you have not checked the box for Affiliations, you represent and warrant that you are not affiliated with or employed by a stock exchange or a broker-dealer or you are not a control person or affiliate or a public company under SEC Rule 144 (such as a director, 10% shareholder, or a policy-making officer), or an immediate family or household member of such a person.

Authorized Individual(s) Signature(s)

All Authorized Individual(s) being added to this account with this form or any attached duplicated pages must sign below. If two or more individuals, duplicate and attach Section 2 for each individual and sign below.

Signature and Date Required.

Print Name of Authorized Individual First, M.I., Last JEFF MCBRIDE	
Authorized Individual Signature	Date MM - DD - YYYY

Print Name of Authorized Individual First, M.1., Last JULIETTE MEUNIER	
Authorized Individual Signature	Date MM - DD - YYYY

Print Name of Authorized Individual First, M.I., Last JOYCE KIRCHHOFER	
Authorized Individual Signature	Date MM - DD - YYYY

Print Name of Authorized Individual First, M.I., Last	
Authorized Individual Signature	Date MM - DD - YYYY

Fidelity Brokerage Services LLC, Member NYSE, SIPC

1.911760.100 - 598162.1.0 (12/11)





PLEASE BRING THE ATTACHED MATERIALS TO THE BOARD OF DIRECTORS MEETING.

ONLY MATERIALS NOT INCLUDED IN THIS PACKET WILL BE AVAILABLE FOR DISTRIBUTION AT THE MEETING

THANK YOU FOR YOUR COOPERATION

BOARD OF DIRECTORS MEETING

THURSDAY, MAY 24, 2018

⇒⇒7:30 A.M. ← ← ←

YMCA of Orange County 13821 Newport Ave. Tustin, Ca 92780

BOARD OF DIRECTORS MEETING AGENDA May 24, 2018 7:30 A.M.

Rosanna Coveyou, presiding

Call to Order Rosanna Coveyou

Invocation Jess Meyers

1. Minutes – March 29, 2018 Michael Hahn

April 25, 2018

2. Chairman's Report Rosanna Coveyou

3. President's Report Jeff McBride

4. Annual Campaign Presentation Dolores Daly/

Sarah Steffen

COMMITTEE REPORTS

5. Finance Committee Juliette Meunier

6. Audit Committee Jess Meyers

7. CARES Committee Mike Proud

8. PDF Committee John Rochford

9. Board Advancement Don Saulic

CONSENT CALENDAR

Rosanna Coveyou

- 10. Recommended by Audit Committee
 - ⇒ Approval of Association's Audited Financial Statements, Exit Letter (SAS 114, SAS 115), and CUSD Agreed Upon Procedures
- 11. Recommended by Executive Management
 - ⇒ Approval of YUSA required Resolution Re: Child Protection and Aquatic Safety
 - ⇒ Approval of authorization to open Morgan Stanley account to transfer Pomona general funds for 22600 Sunset Crossing
 - ⇒ Approval of Resolution Re: Opening Morgan Stanley account to transfer Pomona general funds for 22600 Sunset Crossing
 - ⇒ Approval of authorization to open Morgan Stanley account to transfer Pomona campership funds
 - ⇒ Approval of Resolution Re: Opening Morgan Stanley account to transfer Pomona campership funds
 - ⇒ Approval of authorization to open Morgan Stanley account for transfer of Pomona Charitable remainder Trust
 - ⇒ Approval of Resolution Re: Opening of Morgan Stanley account for Pomona Charitable Remainder Trust transfer
- 12. Recommended by Board Chair and CEO
 - ⇒ Approval of Resolution Re: Updating signers on Bahnsen Group Hightower Advisors account
 - ⇒ Approval of Resolution Re: Removing former Board Chair from Bahnsen Group Hightower Advisors account

Other Business



Board

of

Directors

Minutes

March 29, 2018

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS MINUTES March 29, 2018

John Rochford, presiding

PRESENT

Directors:Jean-Paul AfifRosanna CoveyouGreg CusterMichael HahnBeth HaneyDave LambJeff McBrideJohn McCartyKatie O'ConnerSean PeasleyJohn RochfordDon SaulicJay ScottBob TrautWeikko Wirta (late)

Juliette Meunier (on phone)

Staff: JoAnn Delahousaye Joan Loch Joyce Kirchhofer

Christine Salas

Guests: John Giovannone & Andrew Leet (Seyfarth Shaw)

Absent: Minh Hoang

John Rochford called the meeting to order at 7:44 a.m.

Michael Hahn gave the invocation. A quorum was present.

MINUTES

Rosanna Coveyou, Secretary

Rosanna Coveyou presented the minutes of the following meetings to the Board for approval:

October 16, 2017 (Special Meeting) October 24, 2017 (Special Meeting) October 27, 2017 November 30, 2017 January 25, 2018 March 21, 2018 (Special Meeting)

The following corrections were requested:

October 16, 2017 minutes – Sean Peasley stated he did not participate in this meeting.

March 21, 2018 minutes - Rosanna stated that Beth Haney wanted a correction made to the meeting minutes on p. 6, 3rd bullet, to state that she was "feeling uncomfortable voting due to personally not currently serving on any committees and witnessing unbecoming behavior from both sides". Joan Loch also stated there needed to be a date correction on p. 2, Item 1 – date at end of line 4 should be March 29, 2018, not March 29, 2017.

A discussion was held on the above series of minutes. John Rochford stated the purpose today is to put the past behind us. Bob Traut, Jean-Paul Afif, Beth Haney and John McCarty stated they will not approve the minutes. Michael Hahn asked the attorneys, John Giovannone and Andrew Leet if they had reviewed all the minutes. They stated they had reviewed the minutes and that they accurately capture the meetings.

Rosanna Coveyou moved that the minutes of the October 16, 2017, as amended above and the minutes of October 24, 2017, October 27, 2017, November 30, 2018, and January 25, 2018 as presented be approved. Dave Lamb seconded the motion. The motion carried (11 ayes, 4 nayes (Traut, Afif, Haney, McCarty, 0 abstentions).

Dave Lamb moved that the March 21, 2018, meeting minutes be approved with the above corrections incorporating Beth Haney's comments. Michael Hahn seconded the motion. The motion carried (10 ayes, 4 nayes (Traut, Afif, Haney, McCarty), 1 abstention (O'Connor).

FINANCE COMMITTEE

Juliette Meunier, Committee Chair

Juliette Meunier asked that Joyce Kirchhofer report out on the Finance Committee meeting since Juliette was attending via phone. Joyce distributed the P&L statement to the Board. She stated that year-to-date the Y is on target to meet net outcome. In the Board packet is the narrative on the branches and the financials. Murrieta and Huntington Beach are still struggling. However, there is a \$744,000 surplus year-to-date. This number does include the investment valuation. The balance sheet is strong. Cash increased \$300,000 this year. Investments have been flat this year. We have \$11.6M in investments. Finance Committee met this week with the Facilities/Capital Committee to discuss and review intersection points. Joyce submitted to the Finance Committee information on the impact of the Tax Reform Act recently passed by Congress. Also, we bound our insurance coverages. We will be changing our renewal date to January 1. Currently we are on a March 1 renewal but will be changing to match our fiscal year.

EXECUTIVE COMMITTEE

John Rochford, Chair

John Rochford reported to the Board that in December 2017 the Executive Committee approved certain renovation expenses. These expenses included a new roof, a new 30T HVAC unit and additional smaller units, some ADA upgrades and bathroom renovations. John also shared with the Board an article from the Harvard Business Review on how to be a good Board Chair. He stated that he found this article particularly timely with the upcoming new Slate of Officers being brought forward.

CONSENT CALENDAR

John Rochford, Board Chair

John Rochford presented the consent calendar for approval by the Board of Directors.

- 1. Recommended by Finance Committee
 - ⇒ Approval of Limits of Authority
- 2. Recommended by Audit Committee
 - ⇒ Approval of WNDE Fee Increases re: Tax & Audit Preparation
- 3. Recommended by Executive Management
 - ⇒ Approval of Childcare Resolution for Childcare Department of Education

Dave Lamb moved that the Board of Directors approve the consent calendar as presented. Don Saulic seconded the motion. The motion carried. (15 ayes, 0 nays, 0 abstentions)

BOARD DEVELOPMENT COMMITTEE

Dave Lamb, Committee Member

Dave Lamb stated that the Board Development Committee met last Friday, March 23, and reviewed the slate of officers that had been previously discussed at a prior meeting on January 25. The committee decided to revise the Slate of Officers for the 2018-2019 Board year. He stated that Rosanna Coveyou has agreed to become the Board Chair effective at the annual meeting. The committee also discussed term renewals and expirations. The committee added an additional member to the Slate of Officers so that there would be 7 officers. Lastly, the committee discussed and recommends to the Board to accept 3 new members. Their bios are in the upcoming action item and were included in the Board packet.

Beth Haney stated the she is submitting her resignation effective immediately as she has been appointed to the Orange County Commission and will not be able to devote the required time as a Board member. She stated she will continue to support the Y.

Action Items:

Recommended by Board Development Committee:

⇒ Acceptance of Resignation of Beth Haney

Dave Lamb moved to accept the immediate resignation of Beth Haney. Don Saulic seconded the motion. The motion carried (14 ayes, 0 nayes, 0 abstentions)

⇒ Approval of 2018-2019 Slate of Officers

Sean Peasley moved to accept the 2018-2019 Slate of Officers as presented. Don Saulic seconded the motion. The motion carried (14 ayes, 0 nayes, 0 abstentions)

⇒ Approval of Resolution Establishing the Members of the Executive Committee

Jay Scott moved to accept the resolution establishing the members of the Executive Committee. John McCarty seconded the motion. The motion carried (14 ayes, 0 nayes, 0 abstentions)

⇒ Nomination of New Board Members – Lisa Alonso, Jess Meyers, Mike Proud

Michael Hahn moved to nominate and accept the 3 new board members as presented. Bob Traut seconded the motion. The motion carried. (14 ayes, 0 nayes, 0 abstentions)

All motions passed unanimously with the Board members in attendance.

OTHER BUSINESS

John Rochford stated he wanted to thank those Board members whose terms are expiring in April 2018 – Bob Traut, Jean-Paul Afif and John McCarty. He stated that Bob was a gracious leader for many years and John appreciates all Bob has done for the YMCA. He recognized Jean-Paul for his analysis and deep thought on issues coming before the board for discussions and decisions. He stated he appreciated John McCarty for his straightforward approach and appreciates his integrity. He also thanked Beth for her service and wished her much success on the Commission.

(Weikko Wirta arrived)

Jeff McBride stated that a lot has happened the last few months but the legacy of the group going off the Board will last through their impact on the CARES and the Program Development Committees. In the end, this legacy will outlast us all and he thanked these members for their impact and passion. He is very grateful to all for what they have done to benefit the Y. Many other Board members shared their appreciation and thanks to these four departing members.

Bob Traut shared a letter recapping his service to the Y including serving as Board Chair. He is one month away from his term expiration but has decided to resign effective immediately and will not attend the annual meeting.

Jean-Paul Afif also shared a letter with the Board and reviewed his long association with the YMCA since he was a child. He also stated that he will be resigning effective immediately and will not attend the annual meeting.

John McCarty stated he would have liked to continue on the Board but that since his term is expiring he will also resign effective immediately.

Dave Lamb moved to accept the resignations of Bob Traut, Jean-Paul Afif and John McCarty effective March 29, 2018. Katie O'Connor seconded the motion. The motion carried. (12 ayes, 0 nayes, 0 abstentions.)

Meeting adjourned at 8:45 a.m.

Respectfully submitted,

Rosanna Coveyou, Secretary



Board

of

Directors

Minutes

April 26, 2018

YMCA OF ORANGE COUNTY **BOARD OF DIRECTORS ANNUAL MEETING MINUTES April 26, 2018**

John Rochford, presiding

PRESENT

Directors: Rosanna Coveyou Greg Custer Michael Hahn

Minh Hoang Jeff McBride Jess Mevers Juliette Meunier (phone)

John Rochford Sean Peasley Mike Proud Don Saulic

Jav Scott Weikko Wirta

Juliette Meunier (on phone)

Christine Salas Staff: Dolores Daly Joan Loch JoAnn Delahousaye

Joyce Kirchhofer Anna Romiti

Absent: Lisa Alonso Dave Lamb Katie O'Conner

John Rochford called the meeting to order at 7:44 a.m.

Mike Proud gave the invocation. A quorum was present.

INSTALLATION OF OFFICERS

John Rochford, Interim Chair Rosanna Coveyou, Incoming Chair

The slate of officers for the 2018-2019 Board were installed. John Rochford began by installing the incoming Chair, Rosanna Coveyou. Rosanna then proceeded to install the remaining officers. Officers of the Board of Directors of the YMCA of Orange County for the 2018-2019 Board year are as follows:

Rosanna Coveyou, Chair Juliette Meunier, Treasurer John Rochford, 1st Vice Chair Michael Hahn, Secretary Weikko Wirta, 2nd Vice Chair Jeff McBride, President/CEO Dave Lamb, 3rd Vice Chair Dolores Daly, Assistant Secretary

CLASS OF 2021 – TERM RENEWALS AND NEW BOARD MEMBERS

Rosanna Coveyou, Chair

Rosanna Coveyou informed the Board that the Board Class of 2021 will be comprised of the following members:

Term Renewals: John Rochford, Don Saulic New Board Members: Lisa Alonso, Jess Meyers, Mike Proud

Rosanna thanked John and Don for renewing their terms. She also welcomed and introduced the new Board members and asked each to share briefly about their background and why they were excited to join the YMCA of Orange County Board of

Directors. Jess and Mike gave a brief summary of their background and experience with the YMCA. Lisa was unable to attend today's meeting due to a last minute conflict that arose.

Rosanna also thanked all Board members for their service and dedication to the YMCA. Whether they are in the midst of their current term, renewing their term or just joining the Board she emphasized the importance their volunteering on the Board and the positive impact it has on the members and communities in our service areas.

MEN OF CHARACTER AWARDS

Rosanna Coveyou, Chair

Rosanna Coveyou shared with the Board that two Board members were recently recognized by the Boy Scouts of America – Orange County Chapter and received the Boy Scouts "Men of Character" award. Both John Rochford, our interim chair, and Jeff McBride, our President/CEO were both honored at this award ceremony. Many Board members were in attendance. Rosanna congratulated John and Jeff and thanked them for being a strong examples of men of character not only to our Board but to the community.

INCOMING CHAIR REMARKS

Rosanna Coveyou, Chair

Rosanna Coveyou shared with the Board her vision for the YMCA of Orange County and for the Board. She introduced Anna Romiti, Vice President of Marketing, to share with the Board information on current programs impacting our communities. Anna shared with the Board live facebook feeds with program directors at the Pomona Valley Early Learning Center, the Huntington Beach Kidzone, and the upcoming Ride for Healing that will take place at the Newport-Mesa YMCA. Rosanna stated that future Board meetings will have time allowed for "Mission Moments" that will allow the Board to see the Y in action. Rosanna also shared about plans for a Board Retreat in the fall of this year that will focus on Board governance and team building. Rosanna felt that this annual meeting presented an opportunity to jump start the team building aspect and introduced Mike Proud to facilitate an exercise on openness and transparency. Mike asked members of the Board and members of the Executive Management team to share their perspectives on working together as a Board/Staff team. The importance of communication and understanding of each other's roles was emphasized. Rosanna thanked Mike for and the those who shared.

<u>ADJOURNMENT</u>

Don Saulic gave the benediction.

Meeting adjourned at 9:10 a.m.

Respectfully submitted,

Michael Hahn, Secretary



Finance Committee

April 2018

- Minutes April 2018
- Financial Highlights April 2018
- Association Summary by Branch April 2018
- Statement of Financial Position April 2018
- Investment Activity April 2018
- Tipper LLC P & L April 2018

MINUTES OF FINANCE COMMITTEE MEETING APRIL 18, 2018

Present:

Juliette Meunier, Joyce Kirchhofer, Dave Lamb, Alicia Chacon-Bidwell,

Minh Hoang, Dolores Daly, JoAnn DeLaHousaye

Absent:

Jeff McBride

Meeting called to order at 4:00 pm

TASK LIST	WHO	DATE	DONE

DECISIONS:

The minutes from the March meeting were approved. Juliette/M/Dave/S/All in favor

DISCUSSION:

Branch/Program Update:

Huntington Beach - Dolores briefly talked about the changes that were made at the Huntington Beach branch. We made the Kids Zone larger. Our niche in Huntington Beach is families and seniors. Huntington Beach has a big marketing plan to grab more families and seniors. Huntington Beach has 4 more years left on their lease. The area is very saturated with competition.

Murrieta - Clare McKenna is making a lot of changes with the staff to make this branch more successful, but it's going to take a while to see the results. One of their competitors left, so they feel that they will get some pick up in membership from that. Murrieta is still under a five year lease. We've looked at the option of getting out of the lease, but we can't.

Santa Ana - Still struggling, but we have a contract to run certain programs until 2020.

Pomona – We're still dealing with contracts that the prior Program Director put in place, as well as youth in government. We are not charging appropriately for this.

Mission Viejo - Has completely turned around, and is now making money!

Maple Hill - This is a new, small branch in Diamond Bar. Dolores said that we need to really look at this branch. They're not quite large enough so we may need to sell the property.

Dolores said that overall, membership is our top issue. We need to look at what's happening in the Orange County market more closely. Minh asked if Huntington Beach and Murrieta are cash negative. Murrieta is, but Huntington Beach is not. Juliette said that if these branches continue to lose money, maybe we should look at sub-leasing them. Dolores said that we're currently talking with CHOC about this. They want to sublease space from us for their physical therapy. Camp Elk – We are still utilizing the AS&F funds. Juliette asked if we expect to make Camp Elk profitable. Dolores said that we can only make it profitable if we move to a volunteer staff. We can't make it profitable with an all paid staff. Camp Elk needs stronger fundraising. Sarah Steffen is helping them with this. Juliette asked if we had

MINUTES OF FINANCE COMMITTEE MEETING APRIL 18, 2018

considered raising the camp fees. Dolores said that we look at the fees every year.

New Horizons – This is a very profitable program. They recently moved from suite 105 to suite 150 which has given them a lot more needed space.

Corporate Wellness - Dolores said that we're losing about \$90,000. We're looking at doing something different with this program.

Expense Discussion:

Juliette asked about medical insurance costs. Joyce said that we looked at different plan designs this year as well as the employer portion we pay. We pay up to \$300 per employee per month for coverage. Minh asked how our benefits compare to other companies. Joyce said that we are in about the 55% range.

Minh asked about why our mileage reimbursement expense is so high. Dolores said it's because we have a lot of staff that have to do a lot of driving in their position.

Juliette asked about cell phone costs. Dolores said that we give all staff who are required to have a cell phone a \$50 per month allowance, and all staff who are required to have internet a \$50 per month allowance.

Juliette asked about program expenses. Dolores said that we've made huge progress with our childcare sites. They now have an "Instacart" account which was negotiated by Miguel. Instacart is a service where you place your order online and they deliver groceries to the site the same day. This new service has saved a lot of time at the childcare sites. Regarding credit card expenditures - Joyce said that we spend about \$2million a year on credit cards and we do get rebates, but we can do better. Dolores said were using YPG to leverage pricing. Joyce said that were going to be hiring a purchasing/contracts administrator position. Dolores said they talked to YPG about getting a procurement manager. YPG said that all we really need is a purchasing manager. Juliette said that it would be nice to have this person attend one of the Finance Committee meetings so that we can hear their ideas on cost savings.

Meeting adjourned at 5:05 pm

MINUTES OF FINANCE COMMITTEE/AUDIT COMMITTEE INTERSECTION POINTS MEETING APRIL 18, 2018

Present:

Juliette Meunier, Joyce Kirchhofer, Dave Lamb, Alicia Chacon-Bidwell,

Minh Hoang, Dolores Daly, JoAnn DeLaHousaye

Absent:

Jeff McBride

Guest:

Katie O'Conner (Audit Committee Chair)

Meeting called to order at 3:05 pm

This was a special Finance Committee meeting held specifically to discuss Finance Committee/Audit Committee intersection points.

TASK LIST	WHO	DATE	DONE
Ask the outside auditors if they need our internal audit reports.	Joyce	ASAP	
Draft a policy of how the Finance Committee and Audit Committees should work together.	Juliette	ASAP	

DECISIONS:

DISCUSSION:

The topic of at what time would the Audit Committee include the Finance Committee in a decision. Katie suggested that we need to indicate some areas that the Finance Committee may want to get involved. Katie stated that if the auditors found a material weakness that they would communicate this to the Finance Department. Juliette said that the Finance Committee would need to know these issues as well. There needs to be procedures around certain triggers. Joyce stated that we do have an internal audit system that is run by our QA department. QA does both program audits and finance audits. Joyce will find out if the outside auditors need our internal audit reports. Joyce suggested that we have the head of the QA Department report out to the Finance Committee. The question of which committee should work with QA was asked. Katie thinks that this may be better information for the HR/Legal Committee, not the Finance or Audit Committee. Minh asked for a copy of the QA report. Joyce said that she will get this to everyone on the Finance Committee. How should we monitor tax risk? Joyce said that perhaps we have a chart of work for regularly occurring items, and report these out to the Finance Committee. Katie said that if the auditors bring something to the Audit Committee's attention, then it's probably a big enough issue to bring to the Finance Committee. Minh suggested that Katie share the audit draft with Juliette. Katie could then consult with the Finance Committee on remediation of any audit issues. Joyce said that she wants to have a management response to the management letter. Katie said that most companies who do internal audits have a dotted line reporting to the Audit Committee. Katie suggested that we do this as well, and maybe have a once a year executive session with QA. Juliette asked if it would be a good idea to look at the QA reports to see if they're missing anything. Joyce suggested that program QA get presented to the Legal/HR Committee, and the finance QA get presented to the Finance Committee. Minh asked if we have a report that goes to the legal committee. Dolores said that yes, they get a report every time they meet. Katie suggested adding a legal update item to the Audit Committee meeting agenda. Juliette will draft a policy of how the Finance Committee should work with the Audit Committee.

Adjourned: 3:55 pm

MINUTES OF FINANCE COMMITTEE / LEGAL – HR COMMITTEE INTERSECTION POINTS MEETING APRIL 23, 2018

Present:

Juliette Meunier, Jeff McBride, Joyce Kirchoffer, Minh Hoang, Sean Peasley,

Dolores Daly, David Lamb, JoAnn DeLaHousaye

Absent:

NA

Guests:

Jay Scott (Legal/HR Committee Chair), Christine Salas (Director of HR)

Meeting called to order at 2:02 pm

This was a special Finance Committee meeting held specifically to discuss Finance Committee/Legal-HR Committee intersection points.

WHO	DATE	DONE
Juliette	ASAP	
Juliette	ASAP	
	Juliette	Juliette ASAP

DECISION(S):

DISCUSSION:

Jay started the conversation by stating that some HR issues are just potential issues, and some are real issues with potential financial impact to us. Wage and hour compliance have the potential to become large financial issues. Benefit plan compliance can also have a huge financial impact. Sean asked if we've had a history of IRS or DOL audits – the answer was no, we have not. Joyce said that the state is going to start auditing companies more often for Worker's Comp. Juliette suggested that the IRS could have a big financial impact on us as well. Juliette suggested that we may need to create a memo to send to employees on what is being deducted from their paychecks. Juliette asked what we should do if we needed to spend money to mitigate risk, that wasn't already in the budget. Should it go to the Finance Committee for approval? It was discussed that lawsuits under \$50,000 do not need to go to the Finance Committee, but lawsuits over \$50,000 do. Dave said that in the past, the Legal/HR Committee met very infrequently. He feels that going forward, the Legal/HR Committee needs to meet more frequently.

Juliette stated that the only item that wasn't in the HR Audit Report were wages. Juliette suggested that using anonymous surveys is a good way to find out if policies are being adhered too. Jay said that his organization is taking a proactive approach to avoid lawsuits, but that this is very hard to do.

Jeff asked the Legal/HR Committee to look at the possibility of our childcare staff unionizing. We do not want the childcare staff to unionize. Jay said that unionizing is very expensive. Sean asked if we need to have something written in our school contracts that if they decide to unionize, then we can't comply. Jeff suggested that we need a policy for times that we need to change things mid-stream.

MINUTES OF FINANCE COMMITTEE / LEGAL – HR COMMITTEE INTERSECTION POINTS MEETING APRIL 23, 2018

Juliette will send Jay the Finance Committee's Chart of Work so that the HR/Legal Committee has a guide to put one together their committee. Juliette will make a draft of policies of how the Finance Committee/Legal-HR Committee will work together on intersection points.

YMCA of Orange County

Financial Highlights – Year to Date
April 2018

Year to date has produced a \$918k surplus (6.6% of revenue), this is (\$119k) less than what was budgeted (0.9% of revenue). (\$109k) of this is related to the investments (valuation and short/long term realized losses). Mission Viejo and Laguna Niguel continue to do well. Membership revenue is down (2.5%) from budget and 3.2% over PY. We have made significant changes in our membership marketing efforts, added a mobile app and on-line membership sales, but we are still struggling monthly to reach the 6% growth target. It has been a significant amount of time since the YMCA has conducted a market study and membership survey, so that is currently being explored. Growth opportunities are a focus of executive leadership at this time. Current opportunities include a renewed two-year contract with OCTA, programming contract for the new Rancho Mission Viejo Pavilion gymnasium, exploration of preschool opportunities within districts around Orange County and a new business line with Orange County Department of Education.

Below are selected highlights. Those branches close to their budgeted net may not have details unless there is something noteworthy.

Fullerton - \$29k Favorable Variance

- Sports Revenue is under budget by (\$38k), primarily due to the arena soccer season delay due to turf issues; this is anticipated to be resolved before the June season start.
- \$28k Positive variance in wages and related expenses. Part of the Regional Executive Director's salary has been allocated to Murrieta and wage savings in multiple areas.
- The vast majority of the variance is due to depreciation expense being under budget.

Santa Ana - \$22k Favorable Variance

- Revenue is 3.6% higher this year over last year.
- \$13k in unbudgeted LA84 revenue and successful winter soccer session.
- While there is a favorable variance, the branch does have a deficit even after the monthly \$21k revenue from the Orange County Children's and Families Commission which will cease after 2020. There is some available funding that has not been used for the last few years (\$25k/year), we have applied for retroactive funding that would help Santa Ana to the tune of \$75k for this year, we should find out by late July.

<u>Huntington Beach – (\$134k) Unfavorable Variance</u>

- Overall revenue is 3.2% higher than last year but is (\$36k) less than budgeted because of the 3-month delay in opening the Kid Zone expansion which happened in April. This is anticipated to increase family memberships with the grand opening event resulting in 35 new memberships.
- (\$37k) has been expensed related to items for Kids Zone that did not qualify for capitalization.
- Rent is (\$19k) over budget primarily due to an incorrect rent amount loaded in the budget.
- Wages and related have an unfavorable variance of (\$16k) due to poor budget management in one department and is currently being addressed.

Yorba Linda/Placentia – (\$14k) Unfavorable Variance

 This is primarily due to a shortfall in the annual fundraising campaign, it is expected to be made up by year end. Positive movement in programs: Adventure Guides has recently added a new circle to the program, addition of a contract to provide Chair Yoga to a senior living facility and currently doing sign-ups for a 10 team league that was not budgeted.

Newport/Mesa - \$5k Favorable Variance

Even though the Annual Campaign revenue is (\$33k) behind budget they came close to meeting
the budgeted net outcome with \$10k of this coming from depreciation. For the Annual
Campaign, there is still \$60k more budgeted in upcoming months, there is a plan with history to
hit the goal in the 4th quarter.

Laguna Niguel - \$94k Favorable Variance

- Due to a good start, the Annual Campaign is \$37k ahead of budget as of April; some of this will be reduced in future months when the remaining \$13k Annual Campaign revenue is budgeted.
- Adventures Guides results are good but the event overages will be offset in later months.
- Wages and related are being managed well producing a positive variance of \$24k.
- Depreciation expense is \$19k under budget; it is anticipated that this will be favorable all year.

Mission Viejo - \$26k Favorable Variance

- Annual Campaign is \$2k over budget, similar to Laguna Niguel, there is \$10k remaining in future months in the budget.
- Membership results are ahead of prior year, swim lessons are off to a strong start for spring and Adventure Guides are doing well but some money is owed to expeditions for event overages.

Childcare - (\$33k) Unfavorable Variance

- While overall revenue was very close to budget, the Child Development Fees were 2% under budget at (\$153k); this was offset \$70k by the revenue recognized related to the expenditures on the Sunset Crossing/Pomona Valley renovation. The biggest revenue shortages are at Mission Viejo (MV) sites and the Early Learning Center (ELC). The ELC is implementing a comprehensive marketing plan to increase enrollment and when the toddler license is approved headcount will increase right away. The prior area manager for the MV sites budgeted for a 14% headcount increase which is unrealistic so revenue will be under all year; expenses are flexed with the actual revenue levels.
- Staffing is by far the largest cost; while January was a rough month, managers have been closely watching staffing levels and there has been a \$38k improvement over the last three months.

Camp ELK - \$193k Favorable Variance

- \$223k in revenue was recorded from AS&F funds to cover expenditures related to capital expenditures and program expenses.
- Gas is (\$9k) over budget. This is primarily due to an even spread in the budget, the warmer months will help to offset this overage.

Murrieta – (\$99k) Unfavorable Variance

- Annual campaign is under budget (\$15k), it is expected that this will be made up during the year.
- Membership and program revenue are (\$60k) under budget. Clare McKenna who manages the Fullerton facility is overseeing this branch. The membership coordinator is working a plan and there is a marketing plan in place to promote memberships and programming. Expenses continue to be reviewed in detail, wages and related are almost \$22k less this year than the same time last year.

Pomona – (\$44k) Unfavorable Variance

- The Youth In Government program transitioned late last year from Mission Viejo to Pomona Valley. No initial 2018 budget was established and the event pricing and costs were a carryover from the prior program director. Unfortunately, the prior program director didn't price the event fee correctly so this resulted in a loss for two large conferences that participants attended.
- No budget has caused an unfavorable variance of (\$29k) for the Association Service Fee.

Corporate Mission Initiatives - \$13k Favorable Variance

\$8k of corporate membership revenue received in 2018 was related to November 2017 services.

Association Offices, includes Board Fundraising – (\$182k) Unfavorable Variance

- The primary driver is the unbudgeted investment valuation of (\$72k) plus the short/long term loss on sales (\$37k). Last year at this same time the valuation was \$437k; the markets have definitely changed.
- The board fundraising is behind budget (\$22k) and there is still \$58k more budgeted in future months; there is still work to be done in this area.
- Consulting Fees are (\$32k) over budget. So far (\$20k) is due to the current 3rd party investigator and the majority of the remaining is due to NorthCreek's assistance with HR.
- The investment in Subsidiary (Tipper, LLC) was not budgeted and currently has a loss of (\$65k)

Growth & Renewed Opportunities:

- The Y has been awarded a \$187,000 contract with OCTA to provide Fitness Center staffing services for their employees for the next 2 years.
- The Y will provide programs and gym operations for the new Rancho Mission Viejo Pavilion gymnasium.
- Exploration of preschool opportunities within districts around Orange County and a new business line with Orange County Department of Education.

11.0% 11.8% 100.0%

127,931 63,141

95,474

-7.6% -17.6%

(51,883)(36, 374)

-40.2% -30.4% 0.3%

20,249 (80,770)

(175,494)

-9.9%

70.6%

24,819 (20,726)(229,544) (101,212)

22,819

(33,737)

(541,877)

-4.7% -100.0% -100.0%

-86.5% 13.4% -6.1%

(15,966) 193,635

(739,162)

Association Summary by Branch For the Four Months Ending April 30, 2018

		Year-to-Date	je je		TTD
	Actual	Budget	Variance	% Variance	Drive VTD
Revenue By Branch					
Fullerton Family	\$812.823	\$850.277	(37 454)	4 4%	\$000 E40
Santa Ana Family	219,734	191,453	28 28 1	74.5%	210,000,012
Huntington Beach Family	586,661	614,317	(27,656)	4.5%	560 440
Yorba Linda/Placentia Family	184,351	200,413	(16,062)	-8.0%	180 114
Newport Mesa Family	765,765	764,681	1,084	0.1%	763 870
YMCA Community Services	338,987	332,275	6,712	2.0%	350,652
Laguna Niguel Family	1,049,388	998,655	50,733	5.1%	938 335
Mission Viejo Family	1,103,357	1,089,654	13,703	1.3%	1.262 428
Capistrano Beach Family	0	0		0.0%	73,856
Childcare	8,126,219	8,139,237	(13,018)	-0.2%	7.454.850
Camp E.L.K.	262,895	42,354	220,541	520.7%	60.104
San Gabriel Valley	0	0	1	%0.0	34.217
YMCA of Riverside County	0	0	1	%0.0	19.752
Murrieta Family	233,073	308,448	(75,375)	-24.4%	249,798
Pomona Valley	185,926	0	185,926	100.0%	0
Maple Hill Family	44,798	39,358	5,440	13.8%	C
Corporate Initiatives	44,450	35,113	9,337	26.6%	38.400
Association Office	(80,863)	196,817	(287,680)	-146.2%	1,516,265
l otal Revenue	13,867,564	13,803,052	64,512	0.5%	14,619,580
Expenses By Branch					
Fullerton Family	764.746	831.354	86 808	/ ₀ U a	100
Santa Ana Family	281 841	275 934	000,000 (F 00.2)	2,0	784,995
Huntington Beach Family	752,304	646 081	(3,907)	15.1%	201,0/1
Yorba Linda/Placentia Family	137.883	139 841	1 958	-10.4%	5/6,810
Newport Mesa Family	736,860	740.278	3.418	0.4%	136,236
YMCA Community Services	242,586	236.165	(6 421)	-2.7%	206,977
Laguna Niguel Family	769,090	811,928	42.838	23%	200,212
Mission Viejo Family	955,181	967,473	12,292	1.3%	1 083 112
Capistrano Beach Family	0	0	Ť	%0.0	63.141
Childcare	6,010,347	5,990,222	(20, 125)	-0.3%	5.468.470
Camp E.L.K.	214,359	186,332	(28,027)	-15.0%	180,622
San Gabriel Valley	9,485	11,823	2,338	19.8%	32,304
YIMCA of Kiverside County	0	1,541	1,541	100.0%	24.819
Murrieta Family	460,638	436,806	(23,832)	-5.5%	439,912
Fornona Valley	229,544	0	(229,544)	-100.0%	0
Maple Hill Family	101,212	97,057	(4, 155)	4.3%	0
Accounting Office	34,416	38,157	3,741	9.8%	18,450
Total Exponent	1,249,470	1,355,001	105,531	7.8%	1,443,105
	12,949,962	12,765,993	(183,969)	-1.4%	12,210,800

337.4%

202,791

671,369

-100.0% -100.0%

(34,217)(19,752) (16,725)

-6.7% 100.0% 100.0% 15.8%

-106.0%

(1,607,128)

(752,016)

44,798

185,926

6,050

9.0%

2.4% 0.2% -3.3% 11.8% -12.6% 0.0%

(11,665) 111,053

(159,071) (73,856)

4.7%

26,221

4,237

(689,06)

Variance

YTD Comparison

Curr YTD vs Prior YTD Association Summary by Branch For the Four Months Ending April 30, 2018

	% Variance Prior YTD		154 1%		3				50.1% 73.771	21.3% 179.316	0.0%	-1.5% 1.986.380	-133.7% (120.518)	-19.8%	i)	<i>(</i>)		-2.2%	429.6%		20162
Ð	Variance V		29.154	22,374	(133,879)	(14,104)	4,502	291	93,571	25,995	ı	(33,143)	192,514	2,338	1,541	(99,207)	(43,618)	1,285	13,078	(182,149)	1410 457
Year-to-Date	Budget		18,923	(84,481)	(31,764)	60,572	24,403	96,110	186,727	122,181	0	2,149,015	(143,978)	(11,823)	(1,541)	(128,358)	0	(52,699)	(3,044)	(1,158,184)	1 027 050
	Actual		48,077	(62,107)	(165,643)	46,468	28,905	96,401	280,298	148,176	0	2,115,872	48,536	(9,485)	0	(227,565)	(43,618)	(56,414)	10,034	(1,340,333)	917.602
		Net Outcome by Branch	Fullerton Family	Santa Aha Family	Vorba Lindo/Discoution	Newmort Moon Comits	VMCA Comminity Common	Lacino Nicuel Eamily	Mission Visio Esmity	Canistrano Bosch Comit.	Children	Camp III	San Gabriel Valley	VMCA of Dispraids Commen	Mirristo Comity	Pomone Velley	Mania Valley	Compact Initiation	Association Office	Total Not O State	oral Ivel Outcome

-621.2% 911.9% 11.0%

(74,023)

(149,273)

(70,440)

4,590

(49,988)

Variance

%

Curr YTD vs

Prior YTD

YTD Comparison

-63.4% -33.3% 280.0% -17.4%

(48,039) 206,527

(31,140) (10,715)

0.0% 6.5%

> 129,492 169,054

-100.0%

5,067

-140.3% -595.8%

(11,398)

-100.0% -100.0% 19.7%

(37,451) (43,618) (56,414)(9,916)

-49.7%

-1932.1%

(1,413,493)(1,491,178)

-61.9%

Note: Investment Valuation is not budgeted but is in the actual numbers above in the Association Office Revenue & Net Outcome rows.

412,286 Prior YTD Current YTD (72,113)Investment Valuation - Gain / (Loss)

YMCA of Orange County Statement of Financial Position 4/30/2018

	4/30/2018	12/31/2017
	ASS	ETS
Current Assets		
Cash and cash equivalents	¢4 007 707	00 000 000
Investments	\$1,927,797 11,788,583	\$2,053,392
Accounts Receivable - Net Allowance	765,690	11,838,504
Annual Pledges Receivable - Net Allowance	110,800	738,632
Deposits and Prepaid Rent	79,430	25,392 173 666
Prepaid Insurance	101,986	173,666 106,150
Other Prepaid Expenses	440,914	289,156
Total Current Assets	15,215,200	15,224,892
Other Assets		,
Property, Plant and Equipment, Net	17.640.004	4====
Total Other Assets	17,642,831	17,723,196
. otal office Addets	17,642,831	17,723,196
Total Assets	\$32,858,031	\$22 040 DDD
	402,000,001	\$32,948,088
	LIABILITIES AN	D NET ACCEDO
	LIAUILITIES AN	D MET WOOF 12
Current Liabilities		
Accounts Payable	\$730,561	\$661,653
Accrued Payroll and Employee Benefits	1.728.258	1,725,220
Program Fees Received In Advance - Other	1,590,853	1,272,028
Total Current Liabilities	4,049,672	3,658,901
Language Land		
Long-term Liabilities		
Self-Insurance Liability and Other Reserves Notes Payable	129,464	410,442
Total Long-Term Liabilities	4,656,856	4,759,121
Total Long-Term Liabilities	4,786,320	5,169,563
Total Liabilities	8,835,992	8,828,464
Net Assets		
Current Operations - YMCA	917,603	4.005.004
Current Operations - Tipper, LLC	(65,209)	1,285,381
Current Operations (Restricted, Capital &	(00,200)	(1,389)
Endowment)	(950,007)	707,831
Unrestricted/Temporarily/Permanently	(,/	707,001
Restricted	24,119,652	22,127,801
Total Net Assets	24,022,039	24,119,624
Total Liabilities And Net Assets	400.000	
Total Liabilities Alid Net Assets	<u>\$32,858,031</u>	\$32,948,088

YMCA of Orange County Investment Activity For the Four Months Ending April 30, 2018

	 TD Actual
Beginning Balance	\$ 11,838,504
Interest	15,415
Dividends	67,874
Investment Valuation Change	(72,113)
Short Term Gain (Loss)	(12,247)
Long Term Gain (Loss)	(24,669)
Less: Investment Fees	(24,180)
Net Investment Income/(Loss)	 (49,920)
Ending Balance	\$ 11,788,583
YTD Growth/(Decline) %	-0.42%

Tipper, LLC

Profit & Loss Statement For the Four Months Ending April 30, 2018

	YTD	
Revenue	Actual	% Rev
Revenue		_
1210 Facility Rental	\$121,113.09	100.00%
Net Revenue Totals	121,113.09	100.00%
Expense		
2610 Telephone-Regular Service	1,046.82	0.86%
2710 Postage	33.00	0.03%
2845 Facility Maintenance	17,616.74	14.55%
2410 Legal Fees	1,280.00	1.06%
2450 Consulting Fees	567.75	0.47%
2480 DP Service/Maint Contrct	300.00	0.25%
2831 Electricity	10,876.02	8.98%
2832 Gas	1,237.35	1.02%
2833 Water and Sewer	885.08	0.73%
2834 Refuse Collection	729.63	0.60%
2843 Landscape Maint	4,568.84	3.77%
2848 DNU Exterminator Service	110.00	0.09%
2850 Real And Personal Taxes	27,849.64	22.99%
2860 Property Management	3,804.26	3.14%
2880 Property/Liability Insurance	6,433.00	5.31%
3620 Bank Fees	45.00	0.04%
4810 Association Services	3,200.00	2.64%
Total Operating Expenses	80,583.13	66.54%
EBITDA	\$40,529.96	33.46%
2890 Depreciation Expense	63,309.58	52.27%
5215 Interest Expense-External	40,829.57	33.71%
5610 Income Taxes Fed & State	1,600.00	1.32%
Net Income/(Loss)	(\$65,209.19)	(53.84%)



CARES Committee

April 2018

CARES COMMITTEE MEETING MINUTES April 3, 2018 11:30 a.m.

Attendance: Mike Proud, Jeff McBride, John McCarty, Julia Stannard, Lisa Alonso,

Sarah Steffen, Michael Hahn, Dolores Daly, JoAnn DeLaHousaye

Absent: Julia Stannard, Jay Scott

The meeting was called to order at 11:48 a.m. Mike Proud gave the Invocation

TASK LIST		gave the invoca	
TASK LIST	WHO	DATE DUE	DATE DONE
Introduce Sarah to key church leaders.	Michael	ASAP	
	Н.		
Make sure CARES program applications are filled out correctly.	Sarah	On-Going	
Review minutes regarding what we originally promised Camp	JoAnn	Next	
Agape.		Meeting	
	Dolores,	Before	
Call Camp Agape.	Sarah,	next	
	Jeff &	meeting	
	Mike P		
Work with Marketing on communicating CARES process &	Sarah	ASAP	
getting events on a master calendar.			
Talk with John Rochford about mirroring PDF with CARES.	Sarah	ASAP	
Meet with Huntington & Newport Beach Branch.	Michael	ASAP	
	& Julia		

DECISIONS

Minutes of the December meeting were reviewed and approved. (M - Michael H.; S - Lisa A.; all were in favor)

Going forward, CARES will meet quarterly rather than once per month.

Matt Svajda from Fiducia Community voted on as new CARES Committee member (M - Michael H.; S - Lisa A.; all were in favor)

BUSINESS

Sarah had a meeting with Mike Proud and Jeff to discuss making the CARES Committee more like the Program Development Fund. The PDF is similar to CARES except that it is not Christian based. Jeff would like Sarah to move this plan forward as she has the leadership and experience with the PDF. Dolores stated that the CARES Committee should act as the guide to make sure those who are asking for funding meet the CARES standards, and what we want CARES to accomplish. Lisa said that from a perception point, managing the CARES Committee and the PDF process the same way is best. Getting more partnerships for CARES was discussed. Michael Hahn said that he would like to introduce Sarah to some key church leaders to discuss potential partnerships. Jeff stated that we should let the staff come to us and ask for funding, etc. for CARES projects. Lisa agreed and stated that committees and boards can get too involved in the weeds with these types of projects which can mess up the process. Michael Hahn agreed and stated that we as a committee should be overseers and not get caught up in the weeds. Jeff said that we as an organization have been shifting from control to a more collaborative culture. Jeff stated that the committee needs the freedom to say no to projects that we don't feel fit with the CARES mission. Michael Hahn asked what the next steps are in making the CARES Committee process more like the Program Development Fund. Jeff said that the process has already been established in the PDF.

CARES COMMITTEE MEETING MINUTES April 3, 2018 11:30 a.m.

He said that we should meet to see the presentations, and decide if we're going to support certain projects. It was discussed and agreed upon that the CARES Committee will start meeting quarterly rather than once a month. Sarah will work behind the scenes making sure the applications are filled out correctly. Sarah is also the face of the CARES Committee and the Program Development Fund. Jeff suggested that we look at - 5 presentations each quarter. Lisa stated that from an employee culture stand point, it's really important let the staff run with this, especially if we want to change the culture from control to collaboration. CARES becomes the vetting and implementation committee. Mike Proud interjected that ultimately this strategy is going to work its way through our branches. He suggested using Jimmy and Alison to help us identify other branches that want to start a CARES program. Sarah suggested that we need an amendment to the program option on the application so that everything doesn't need to go before the committee for approval again when it's just an amendment to a program that has already been approved. It was discussed that an enhancement to a program that has already been approved by the committee could be approved by Dolores only. Lisa thinks this is a good structure to move forward with.

Open applications were discussed. Currently, there are three open applications: Mentor Up; Camp Agape & Mission Hills Church. Mike P. said that for Camp Agape, we need to look back at past minutes to verify what we agreed to do for them. Jeff said that we should vet Camp Agape again - that we need to start fresh. Dolores suggested that she, Sarah and Jeff have a call with Camp Agape before the next CARES meeting. Jeff said that he wants Mike P. to be on that phone call too. Moving forward, applications need to be in at least two weeks ahead of the next committee meeting. Sarah will revise the application, deadlines, and meeting dates. Sarah will work with Marketing about how we communicate how we're going to operate CARES going forward. Sarah will talk with John Rochford about mirroring PDF with CARES.

Updates on Newport and Huntington Beach: Michael H. will coordinate with Julia S. to have a meeting with Jimmy and Allison. Dolores said that Newport and Huntington Beach have both secured two Chaplains. There is also a Chaplain handbook that Jay, Lisa and our HR department gave input for. The Chaplains will get a free membership to the Y. There will be a welcome barbeque next month to welcome the new Chaplains. Sarah is going to work with Marketing to get all of these types of events onto a master calendar. Matt Svajda from Fudicia Community has been the person on the ground helping Alison and Jimmy. Part of the CARES funding covers Matt's fees. Sarah talked about possibly putting CARES as part of the budget for Newport Beach & Huntington Beach. Mike P. asked if Matt should be a part of the CARES Committee so that he can better understand our mission. Lisa said she feels that would make sense. Everyone agreed that this is a good idea and voted for Matt to be on the CARES Committee.

Adjourned at 1:09



Action

Item

Approval of: 2017 Audit SAS 114 & 115 CUSD AUP

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY TABLE OF CONTENTS DECEMBER 31, 2017 AND 2016

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2017 AND 2016

WITH INDEPENDENT AUDITORS' REPORT



INDEPENDENT AUDITORS' REPORT

Board of Directors

Young Men's Christian Association of Orange County and Subsidiary Justin, California We have audited the accompanying consolidated financial statements of the Young Men's Christian Association of Orange County and subsidiary (collectively, the "Organization"), which comprise the consolidated statement of financial position as of December 31, 2017, and the related consolidated statement of activities, functional expense, and cash flows for the year then ended, and the related notes to the consolidated financial statements. We have also audited the accompanying financial statements of the Young Men's Christian Association of Orange County, which comprise the statement of financial position as of December 31, 2016, and the related statement of activities, functional expense, and cash flow for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors' consider internal control relevant to the Organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

-

2875 Michelle Drive, Suite 300, Irvine, C.A 92606 * Tel: 714.978.1300 * Fax: 714.978,7893

Offices located in Orange and San Diego Caunties

Opinion

In our opinion, the 2017 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Organization as of December 31, 2017, and the changes in its net assets and its eash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. Also, in our opinion, the 2016 financial statements present fairly, in all material respects, the financial position of the Young Men's Christian Association of Orange County as of December 31, 2016, and the changes in its net assets and its eash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Report on Consolidating Information

Our audit was conducted for the purposes of forming an opinion on the financial statements as a whole. The consolidating information in Schedules I and II is presented for purposes of additional analysis, and it is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used, to prepare the consolidated financial statements. The consolidated financial statements and certain additional procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the consolidating information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

White Tuber Mile Enemal L.P

Irvine, California May 17, 2018

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY STATEMENTS OF FINANCIAL POSITION DECEMBER 31, 2017 AND 2016

ASSETS

2016	2 \$ 4,400,288 4 9,048,789	3 857,456 2 29,629 7 697,960 149,863	8 15,183,985	0 326,452 7 12,230,541	0 81,459	5 \$ 27,822,437		4 \$ 604,151 3 1,354,903				3,324,585	0 750,000 2 36,602 5 1,599,453	7 2,380,055	5,704,640	3.5	5 21,717,126 8 310,671 0 90,000	3 22,117,797	\$ 27,822,437
2017 Consolidated	\$ 2,400,922 11,482,364	738,633 25,392 497,227	15,144,538	184,980	60,200	\$ 32,891,035		\$ 584,594	522,028	250,000	152,790	3,731,575	40,160 500,000 76,252 4,432,035	5,048,447	8,780,022		23,050,015 970,998 90,000	24,111,013	\$ 32,891,035
	Current Assets: Cash and cash equivalents (Note 3) Investments (Notes 4 and 8) Receivellets:	Accounts receivable, net (Note 5) Pledges receivable, net Prepaid expenses and other current assets Land held for resale	Total Current Assets	Property Held under Capital Leases, Net Property and Equipment, Net (Note 6)	Other Assets: Deposits	Total Assets	LIABILITIES AND NET ASSETS	Current Liabilities: Accounts payable Accrued payroll and employee benefits	Program fees received in advance Accrued expenses	Deferred Santa Ana project funding, current portion (Note 6) Current maturities of obligations held under capital leases (Note 12a)	Notes payable, current portion (Note 9)	Total Current Liabilities	Long-Tern Liabilities: Deposits payable Deferred Santa Ana project funding, less current portion (Note 6) Long-tern portion of obligations held under capital leases (Note 12a) Notes payable, less current portion (Note 9)	Total Long-Term Liabilities	Total Liabilities	Commitments and Contingencies (Note 12)	Net Assets (Note 11): Unrestricted net assets Temporarily restricted Permanently restricted	Total Net Assets	Total Liabilities and Net Assets

The accompanying notes are an integral part of these financial statements. $\ensuremath{\mathbf{3}}$

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY CONSOLIDATED STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2017

Permanently Restricted	4 T				4		- 10			54		90		E		*	m ()		1)ĝ		'	•	•		1.0	•		90,000	\$ 90,000
Temporarily Restricted	S 776,095	776,095				ì						ni.	(115,768)	660,327		í			•	٠			'		660,327	mine a	'	660,327	310,671	\$ 970,998
Unrestricted	\$ 365,307	508.364	19,643,120	7,910,829	2,962,377	2.578.363	944,898	1,281,156	332,666	38,662,912	733,000	195,204	115,768	40,264,450		15,819,132	12,483,175	694.866	3,077,438	34,038,205	6,485,150	6,889,013	123,090	41,050,308	(785.858)	1,394,630 803,885 (79,768)	2,118,747	1,332,889	21,717,126	\$ 23,050,015
Total	\$ 1,141,402 143,057	1.284,459	19.643.120	7,910,829	2,962,377	2,578,363	944,898	1,281,156	332,666	38,662,912	733,000	195,204	707'64	40,924,777		15,819,132	12,483,175	694,866	3,077,438	34,038,205	6,485,150 403,863	6,889,013	123,090	41.050,308	(125,531)	1,394,630 803,885 (79,768)	2,118,747	1,993,216	22,117,797	\$ 24,111,013
Operations	Support, Revenue, and Gaias: Fundarising Support Contributions Special events, net of direct costs	Total Fundraising Support	Program Revenue: Childeare fres	Membership fees	Health and fitness fees Adventure guides fees	Government assistance	Donated use of facilities/land	Community programs fees	Facility lees	Total Program Revenue	Contribution from Pomona Valley YMCA	Other Income Rental Income	Net Assets Released from Restrictions	Total Support, Revenue, and Gains	Operating Expenses: Program Services:	Childcare	Health and miness Adventure guides activities	Camping	Udher community services	Total Program Services	Supporting Services: Administration and general Fundraising	Total Supporting Services	Tipper, LLC	Total Operating Expenses	Operating Margin	Nonconventing Investment (norme, Not (Note 4) Gain on Sale of Property Held for Resale Loss on Disposal of Capital Assets	Total Nonoperating	Increase in Net Assets	Net Assets, Beginning of Year	Net Assets, End of Year

The accompanying notes are an integral part of these financial statements, $\ensuremath{4}$

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY STATEMENT OF ACTIVITIES YEAR ENDED DECEMBER 31, 2016

Permanently Restricted	' '			1.0					•	٠	737				Ċ.	-	84	1.0					11.0	-		90,000	90,000
E R	69								١			ı					ı		J	١		١					95
Temporarily Restricted	\$ 187,194	187,194	3						•		100	(117,644)	69,550	18	1		*:					69,550	***		69,550	241,121	\$ 310,671
Unrestricted	\$ 1,100.389	1,237,782	18 618 583	7,585,631	2,697,442	1,885,620	944,898	1,291,790	338,551	36,401,245	223,240 130,997	117.644	38,110,908	13.264.535	11,590,979	1,676,343	3,220,967	30,738,552	5,687,057	6,185,489	36,924,041	1.186,867	470,472 10,898 (14,361)	467,009	1,653,876	20,063,250	\$ 21,717,126
Total	\$ 1,287,583	1.424,976	IR.618.583	7,585,631	2,697,442	1,885,620	944,898	1.291,790	338,551	36,401,245	223,240 130,997		38,180,458	13.264.535	11,590,979	1,676,343	3,220,967	30,738,552	5,687,057	6,185,489	36,924,041	1,256,417	470,472 10,898 (14,361)	467,009	1.723,426	20,394,371	\$ 22,117,797
Operations	Support, Revenue, and Gaine: Pundurlaing Support. Contributions Special events, net of direct costs	Total Fundraising Support	Program Revenue: Childcare fees	Membership fees	Health and fitness fees Adventure enriche fees	Covernment assistance	Donated use of facilities/land	Community proposite free	Facility fees	Total Program Revenue	Contribution from San Gabriel Valley YMCA Other Income	Net Asses Keleased from Restrictions	Total Support, Revenue, and Gains	Operating Expenses: Program Services: Childcare	Health and fitness	Adventure guides activities	Company Other community services	Total Program Services	Supporting Services: Administration and general Fundraising	Total Supporting Services	Total Operating Expenses	Operating Margin	Noncolerating Investment Incolde, Net (Noic 4) Incyclist in Falt Value of Interest Rate Swap Loss on Disposal of Capital Assets	Total Nonoperating	Increase in Net Assets	Net Assets, Beginning of Year	Net Assets, End of Year

The accompanying notes are an integral part of these financial statements. $\label{eq:financial} 5$

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES YEAR ENDED DECEMBER 31, 2017

			Adventure		Other	
		Health and	Guides		Community	
	Childeane	Fitness	Activities	Camping	Services	Subtotal
Calarine and warne	2001136	5 504 002	400 000			
		ń	4	066,612	\$ 1.715,007	16,750,343
employee benefits	1,101,194	505,394	27,820	23,378	152,462	1,810,248
Payroll faxes	732,456	463,309	16,833	21,967	144,354	1,378,859
Professional fees	106,383	76,923	3,741	19,144	11,402	217,593
Supplies	130.331	159,104	2,753	22,305	10,967	325,460
Telephone	251,053	83,101	10,593	14,416	52,221	411,384
Postage	6,713	3,740	914	989	1,558	13,611
Occupancy	761,215	3,022,589	48,535	70,754	72,047	3.975,140
Insurance	165,053	96,240	15,045	2,982	20,611	299,931
Depreciation	228,073	1,376,035	355	66.750	9.876	1,681,089
Equipment	678.092	133,879	6,112	4,513	16.290	938,896
Printing and promotion	309,152	142,878	5,911	4,416	4.935	467.292
Fundraising campaign	29,659	2,543	408	141	642	33,393
Employee and travel expense	30,722	20,103	3,196	4,153	14.347	72.521
Meetings, training, and						
enthyraci.	107,796	66,975	22,480	10,303	13,535	221.089
Program costs	1,450,244	354,137	1,537,203	139,833	674,445	4,155,862
Vehicle expense	198,483	121	61	5,059	84,424	288.106
Credit card and bank fees	308,215	205,084	32,257	5,932	48,864	600,352
Fair share	234,329	134,921	5,058	2,139	26,461	402,908
Recruitment and relocation	29	901		è	86	233
Bad deht expense	18,804	38,827	21,274	525	2,232	81.662
Interest	20	12,243			•	12.243
Miscellaneous expense						
Total Functional Expenses	\$ 15,819,132	\$ 12,483,175	765 196 1 \$	2 604 866	S 2 1/77 / 12	¢ 24.020 3.05

The accompanying notes are an integral part of these financial statements, $\ensuremath{6}$

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED) YEAR ENDED DECEMBER 31, 2017

		Supporting Services			
	Administrative				
	and General	Fundraising	Subtotal	Tipper, LLC	Total
Salaries and wages	\$ 2,732,825	\$ 167,056	2,899,881	35	\$ 19.650.224
Employee benefits	361,476	27,688	389,164		2,199,412
Payroll taxes	186,985	13,790	200,775		1.579,634
Professional fees	1.763,422	14,058	1,777,480	9.186	2.004.259
Supplies	31,199	929	31,875	104	357,439
Telephone	72,079	3,673	75,752	1,419	488,555
Postage	10,702	4,295	14,997		28,608
Оссирансу	238,042	178	238,220	47,479	4,260,839
Insurance	155,185		155,185	*	455,116
Depreciation	131,922	/V	131,922	30,336	1.843,347
Equipment	200,013	236	200.249	=	1,039,135
Printing and promotion	5,234	26,872	32,106	1	499,398
Fundraising campaign		73,347	73.347		106,740
Employee and travel expense	9,441	1,098	10.539		83,060
Meetings, training, and					
conferences	166,640	25,846	192,486	-	413,575
Program costs	3	29,583	29,583		4,185,445
Vehicle expense	17,041		17,041	20.	305,147
Credit card and bank fees	148,956	1,200	150,156	30	750,538
Fair share		10,501	10,501		413,409
Recruitment and relocation	191,329	i i	191,329	,	191,562
Bad debt expense		3,766	3,766	22	85,428
Interest	62.659		62,659	30,733	105,635
Miscellaneous expense			1	3,803	3,803
Total Functional Expenses	\$ 6,485,150	\$ 403,863	\$ 6,889,013	\$ 123,090	\$ 41,050,308

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED DECEMBER 31, 2016

Health and Guides Computing Childrane Health and Guides Computing Services 1,117,559 4,971,820 5,183,788 332,401 5,185,213 1,117,559 4,41,440 2,10.89 18,757 186,451 1,117,559 4,41,440 2,10.89 18,757 186,451 1,117,559 4,41,440 2,10.89 18,757 186,451 1,117,559 1,20.8 1,20.8 1,20.8 1,20.8 1,20,433 3,028,376 5,39.9 16,784 9,773 1,217,548 1,266,783 1,65,70 1,685 1,217,548 1,266,783 1,65,70 1,085 1,217,548 1,266,783 1,65,70 1,085 1,217,548 1,266,783 1,266,783 1,00.8 1,088 1,217,548 1,266,783 1,00.8 1,00.8 1,217,548 1,20,686 3,262 1,07.50 1,085 1,217,578 1,25,686 3,257 2,455 2,21,04 2,360 2,360 34,515 3,891 2,360 2,360 34,515 3,891 2,360 2,360 34,515 3,891 2,360 2,360 34,515 3,891 2,360 2,360 34,515 3,891 2,360 2,360 34,515 3,891 2,360 2,360 34,515 3,891 2,360 2,360 34,515 3,891 2,360 2,360 34,515 3,891 2,360 2,360 34,515 3,891 3,360 2,360 34,515 3,891 3,360 2,360 34,515 3,891 3,360 3,360 3,360 3,262 3,360 3,360 3,262 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360 3,360				FOOT A TOO WANT TO A TOO A	2001 1 1000		
Childrane Health and Guides Community				Adventure		Other	
Childrame Filtness Activities Comping Services 7,632,670 \$ 4,971,820 \$ 188.788 \$ 322,401 \$ 1866.213 1,117,559 44,1440 21,089 18,757 \$ 1866.213 2,0367 409,502 13,275 26,687 153,49 114,788 138,651 817 16,784 9,773 4,542 1,205 276 9,627 7,115 7,99,433 3,028,376 53,595 16,784 48,011 7,3219 177,8854 6,977 846 118,835 2,1349 1,266,783 165 84,536 10,835 2,1,14 1,146,991 165 84,667 10,835 1,284,331 146,691 165 84,667 10,835 3,41,101 130,265 165,036 66,539 11,685 1,25,607 14,169 3,262 10,78 3,881 1,25,608 2,536 16,276 659,222 1,25,609 13,506 16,77			Health and	Guides		Community	
7,632,670 5,4,971,820 5,183,788 332,401 5,186,6213 11,17,559 44,1440 21,089 18,757 180,451 180,451 15,716 132,75 132,402 17,115 114,788 138,651 138,651 138,651 138,651 138,651 138,651 14,788 132,654 16,784 4,773 16,784 46,977 16,784 46,977 16,784 46,977 16,784 46,977 12,843 12,843 146,691 165,889 16,305 10,825 10,325 10,325 10,325 10,325 10,325 10,325 10,325 10,325 10,325 10,325 10,325 10,325 10,326 10,325 10,326 10,326 10,326 12		Childcare	Fitness	Activities	Camping	Services	Subtotal
1,117,559	Salaries and wages	7,632,670			332,401		\$ 14.951.892
SZUL087 449,502 13,275 26,687 153,349 114,786 138,651 817 16,784 9,773 4,542 1,205 276 16,380 48,011 4,542 1,205 276 16,380 48,011 7,3219 1,205,375 16,360 16,360 1,217,48 1,266,783 165 44,541 9,743 1,244 1,266,783 165 81,008 11,882 1,245,11 1,302,65 1,542 16,767 1,27,078 2,541 1,362,067 1,545 1,27,078 1,256 2,590 1,256 1,25,078 1,25,080 3,451 4,241 2,35,08 1,35,00 3,451 4,241 3,381 1,25,686 3,262 1,259 7,218 2,35,00 3,451 3,60 3,262 1,25,078 1,25,080 3,262 1,25,078 1,25,080 3,262 1,25,088 1,25,080 3,262 1,25,088 1,25,080 3,262 2,35,00 3,263 3,262 3,260 3,260 3,262 3,260 3,260 3,262 3,260 3,260 3,262 3,260 3,260 3,262 3,260 3,260 3,262 3,260 3,260 3,262 3,260 3,260 3,262 3,260 3,260 3,262 3,260 3,260 3,262 3,260 3,260 3,262 3,260 3,260 3,262 3,260 3,260 3,262 3,260 3,260 3,262 3,260 3,260 3,260 3,260 3,260 3,260 3,260 3,260 3,260 3,260 3,260 3,260 3,260 3,260	Employee benefits	1,117,559	441,440	21,089	18,757	180,451	
19,716 138,651 817 16,784 9,773 16,784 9,773 16,784 9,773 16,784 9,773 16,784 9,773 16,887 12,005	Payroll taxes	620,087	409,502	13,275	26,687	153,349	1,222,900
114,788 134,651 817 16,784 9,773 239,433 45,285 5,471 16,880 48,011 249,433 45,285 5,471 16,880 48,011 732,19 177,854 6,477 846 10,835 217,248 126,783 165 81,008 10,825 241,101 130,265 165 81,008 10,825 25,507 14,169 3,262 10,750 11,685 1,27,078 35,491 13,62,067 15,41,26 65,9227 1,27,078 25,491 13,62,067 25,104 23,500 23,500 34,515 24,550 72,104 23,500 23,500 34,515 24,550 72,104 23,500 23,500 34,515 24,550 72,104 23,500 23,500 34,515 24,550 72,104 23,500 23,500 36,000 5,238 20,449 23,500 23,500 36,000 5,238 20,449 23,500 23,500 24,515 26,737 23,500 23,500 24,515 26,737 23,500 23,500 26,737 24,515 23,500 23,500 26,737 24,515 23,500 23,500 26,737 24,515 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 26,737 23,500 23,500 23,500 23,500 23,500 23,500 23,500 23,500 23,500 24,500 23,500 24,500 24,500 25,500 24,500 25,500 24,500 25,500 24,500 25,500 24,500 25,500 24,500 25,500 24,500 25,500 24,500 25,500 24,500 25,500 24,500 25,500 24,500 25	Professional fees	27,716		7	59,792	7,115	94.623
239,433	Supplies	114,788	138,651	817	16,784	9,773	280.813
# 4,542 1,215 276 9,627 180 79,433 3,028,376 53,395 163,036 66,639 73,219 179,854 6,977 180 1217,348 1,266,783 165 44,541 9,743 1218,431 146,091 165 81,008 11,835 1218,431 146,091 165 81,008 11,835 11,217,078 3,262 10,750 11,685 11,217,078 35,491 13,62,067 15,4126 659,222 11,217,078 35,491 13,62,067 15,4126 659,222 11,217,078 19,500 34,515 4,541 4,541 215,138 123,686 5,357 2,455 22,104 23,600 23,600 3,600 3,600 18,404 23,500 2,500 18,404 2,500 2,500 18,404 2,500 2,500 18,404 2,500 2,500 18,404 2,500 2,500 18,404 2,500 2,500 18,404 2,500 2,500 18,404 2,500 2,500 18,404 2,500 2,500 18,404 2,500 18,405 2,500	Tetephone	239,433	45,385	5,471	16,880	48,011	355,180
799,433 3,028,376 53,595 163,036 66,639 73219 179,834 6,977 846 18,833 217348 12,66783 165 81,008 18,833 341,101 130,265 165 81,008 18,833 72,507 14,169 3,262 10,750 11,685 1,127,078 35,491 13,62,067 15,4126 6,92,222 165,089 105,500 34,515 4,970 7,2181 225,009 105,500 34,515 4,970 7,2181 23,5415 11,130 89 5,258 20,449 23,540 23,540 36,540 36,540 23,540 35,540 380 5,258 20,449	Postage	4,542	1,205	276	9,627	180	15,830
73.219 179.854 6,977 846 10.853 12.173.81 12.66.783 16.59 14.541 9,743 12.173.81 13.06.783 16.59 11.66.91 16.59 11.68 13.831 13.02.65 11.03.81 13.02.82 11.03.82 11.0	Оссирвику	799,433	3,028,376	53,595	163,036	66,639	4,111,079
126,783 165 44,541 9,743 128,431 146,091 165 81,008 118,823 128,431 146,091 156 81,008 118,823 13,881 130,265 16,769 10,769 11,685 12,7078 35,491 13,62,067 15,4126 6,59,222 165,089 195,500 34,515 4,515 4,517 12,181 279,220 125,686 5,357 2,455 22,104 35,415 11,130 89 5,286 20,449 23,600 2	Personal Property and Property	73,219	179,854	6,977	846	10,853	271,749
128,31 146,091 165 81,008 10,823 10,823 10,823 10,825 10,	Depreciation	217,348	1,266,783	165	44,541	9,743	1.538.580
341,101 130,265 1,948 3,881 1,055 1,048 3,881 1,056 1,	Equipment	128,431	146,091	165	81,008	10,823	366.518
14,169 3,262 10,750 11,685 10,750 11,685 10,750 11,685 10,750 11,685 10,750 11,132 15,136 10,250 10,200 10	Printing and promotion	341,101	130,265	2	1.948	3.881	477.195
29,507 14,169 3,262 10,750 11,685 72,561 57,904 10,055 16,572 12,122 11,27,078 354,911 13,62,067 154,126 6,59222 165,089 195,500 34,515 4,970 72,181 215,138 125,686 5,357 2,455 23,104 35,415 11,130 89 5,258 20,449 23,600 23,600 36,903 380 5,7476 8,13,56,638 6,11,600,000 6,16,600,000 6,16,600,000 6,16,600,000	Fundraising campaign		+	3	0		
72,561 57,904 10,055 16,572 12,152 11,127,078 354,911 13,62,067 154,126 659,222 165,089 195,800 34,515 4,970 7,667 21,81 12,686 5,357 2,455 23,104 35,415 11,130 89 5,288 20,449 23,600 55,903 389 5,288 37,476 118,404	Employee and travel expense	29,507	14,169	3,262	10.750	11.685	575 69
12.564 57.904 10.055 16.572 12.152 12.152 12.152 16.572 12.152 12.152 12.152 16.572 12.152 12.152 16.572 12.152 16.572 12.152 16.572 12.152 12.152 12.506 1	Meetings, training, and						
1,12,078	conferences	72,561	57,904	10,055	16,572	12,152	169 244
165,089 192,00 72,181	Program costs	1,127,078	354,911	1,362,067	154.126	659,222	3.657,404
279,820 195,500 34,515 4,970 7,667 215,138 122,686 5,357 2,455 23,104 23,600 55,903 389 5,258 20,449 23,600 55,903 380 87,476 118,404	Vehicle expense	165.089		÷	19.290	72.181	256.560
215,138 123,686 5,357 2,455 22,104 35,415 11,130 89 5,258 20,449 23,600 25,903 380 87,476 18,404 87,7476	Credit card and bank fees	279,820	195,500	34,515	4,970	7,667	522,472
23.6415 11.130 89 5.258 20.449 23.600 55.903 380 87.476 18.404	Fair share	215,138	123,686	5,357	2,455	23,104	369,740
23,600 55,903 380 = 57,476 18,404	Recruitment and relocation	35,415	11,130	68	5,258	20,449	72.341
18,404	Bad debt expense	23,600	55,903	380		57,476	137,359
# 12.764 52 6 11 EDA 020 6 1 CAL 140 6 CONTROL B CALL 1504 020	Interest		18,404				18,404
\$ 13,200,535 \$ 11,570,479 \$ 1,676,543 \$ 985,728 \$ 3,220,967	Total Functional Expenses	\$ 13,264,535	\$ 11,590,979	\$ 1,676,343	\$ 985,728	\$ 3,220,967	\$ 30,738,552

The accompanying notes are an integral part of these financial statements.

The accompanying notes are an integral part of these financial statements. 7

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY STATEMENT OF FUNCTIONAL EXPENSES (CONTINUED) YEAR ENDED DECEMBER 31, 2016

		radden.	Control of the contro	
	Administrative and General	Fundraising	Sultiotal	Total
Salaries and wages	\$ 2,426,592	\$ 235,718	1,562,310	\$ 17,614,202
Employee benefits	375,888	33,670	409,558	2,188,854
Payroll taxes	171,792	19,127	190,919	1,413,819
Professional fees	1,463,890	454	1,464,344	1,558,967
Supplies	23,607	2,901	26,508	307,321
Tetephone	69,869	2,859	72.728	427,908
Postage	12,248	3,264	15,512	31,342
Occupancy	283,875		283.875	4.394.954
instrance	107,906		107,906	379,655
Depreciation	110,390		110,390	1,648,970
Equipment	79,024	16,333	95.357	461.875
Printing and promotion	3,975	27,479	31.454	508,649
Fundraising campaign	•	96,858	96,858	96,858
Employee and travel expense	17,027	2,095	19,122	88.495
Meetings, training, and				
conferences	166,054	37,390	203,444	372.688
Program costs	157.913	6,581	164,494	3,821,898
Vehicle expense	21.834		21,834	278,394
Credit card and bank fees	92.290	2.108	94,398	616,870
Fair share		11,595	11,595	381,335
Recruitment and relocation	39,590		39,590	111,931
Bad debt expense	*,			137,359
Interest	63,293		63,293	81,697
Total Functional Expenses	\$ 5,687,057	\$ 498,432	\$ 6,185,489	\$ 36,924.041

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY STATEMENTS OF CASH FLOWS
YEARS ENDED DECEMBER 31, 2017 AND 2016

2016	\$ 1,723,426	1,648,970 (327,439) 14,361 (10,898) (250,000)	203,332 (19,454) 42,113	(113,742) 140,554 (3,044) (47,388) 60,297	3,061,088	(1,136,076) 30,648 1,854,811 (2,133,235)	(1,383,852)	(258,701)	(371,754)	1,305,482	3,094,806
2017 Consolidated	\$ 1,993,216	1,843,347 196 (1,227,643) 79,768 (803,885) (250,000) 13,689	108,900 471 200,733 21,259	(19,557) 292,190 40,160 57,866 143,433	2,494,143	(2,223,805) 13,500 953,748 1,760,251 (2,966,183)	(2,462,489)	(276,645) (1,742,634) (11,741)	(2,031,020)	(1,999,366)	4,400,288 \$ 2,400,922
	Cash Flows from Operating Activities: Increase in Net Assets	Noncash Reconciling Items: Depreciation Amortization of deferred financing costs Realized and uurealized gain on investments Loss on disposal of property and equipment Gain on sale of property and equipment Gain on sale of property held for resale Increase on fair value of interest rate swap Deferred Santa Ana project funding Allowance for doubtful accounts	Changes in: Accounts receivable Pledges receivable Prepaid expenses and other current assets Deposits	Accounts payable Accined payroll and employee benefits Deposits payable Program fees received in advance Accrued expenses	Net Cash and Cash Equivalents Provided by Operating Activities	Cash Flows from Investing Activities: Purchases of property and equipment Proceeds from sale of property and equipment Proceeds from sale of land held for resale Sales of investments Purchases of investments	Net Cash and Cash Equivalents Used in Investing Activities	Cash Flows from Financing Activities: Principal payments on capital leases Principal payments on notes payable Cash paid for deferred financing costs	Net Cash and Cash Equivalents Used in Financing Activities	Net Increase (Decrease) in Cash and Cash Equivalents	Cash and Cash Equivalents, Beginning of Year Cash and Cash Equivalents, End of Year

The accompanying notes are an integral part of the financial statements, $10 \,$

The accompanying notes are an integral part of these financial statements, $\label{eq:particle} 9$

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY STATEMENTS OF CASH FLOWS (CONTINUED) YEARS ENDED DECEMBER 31, 2017 AND 2016

2017 Consolidated 2016	\$ 105,635	\$ 162,114 \$	\$ 4,680,000 \$
	Supplemental Disclosure: Interest paid	Noncash Investing and Financing Activities for the Years Ended December 31, 2017 and 2016: Equipment acquired through capital lease	Property acquired through debt financing

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 1: Organization and Nature of Services

Organization

The Young Men's Christian Association of Orange County (the "YMCA" or "Y") is a charitable organization that puts Christian principles into practice through programs that build spirit, mind, and body for all. The Y has been active in Orange County since 1922. At the Y, strengthening community is our cause! With a focus on youth development, healthy living and social responsibility, the Y serves Orange County, along with Riverside County, San Gabriel Valley, and Pomona Valley through eight (8) Health & Wellness locations (Laguna Nignel, Newport Beach, Mission Viejo, Fullerton, Huntington Beach, Murrieta, Diamond Bar and Santa Ana). With an additional 150 aftersohool programs, summer camps, sports & swim programs, Adventure Guides parent/child groups, and programs for youth and adults with special needs, YMCAOC is committed to serving our growing and diverse community needs.

Tipper, LLC ("Tipper") is a wholly owned subsidiary of the YMCA operated exclusively to further the charitable purposes of the Y. The activities of the limited liability company shall be limited to acquiring and holding title to property, collecting income therefrom, and remitting the entire amount of net income from such property to the member, within the meaning of Section 23701b of the California Revenue and Taxation Code and in furtherance of the charitable purposes of the member.

The consolidated financial statements include the accounts of the YMCA and its wholly owned subsidiary, Tipper, which are collectively referred to as the "Organization." Interorganization transactions and balances have been eliminated in consolidation.

Nature of Services

The Y provides services for the following program areas:

<u>Childcare.</u>: YMCA before and after school care provides opportunities for your child to learn, grow, and thrive as they make their way from K-8th grade. We provide daily physical and educational activities like sports & recreation, homework support, arts, and technology that allow students to engage in the learning process and have fin with friends at the same time! With 50+ locations on school campuses throughout Orange County, the Y is a convenient and affordable choice for your family. The Y offers year-round, licensed child care including full-day summer camps and full-day care during school holidays.

The accompanying notes are an integral part of the financial statements.

12

Note 1: Organization and Nature of Services (Continued)

Nature of Services (Continued)

- Health and Fitness: The Y provides health and wellness programming to youth and adults to increase the positive impact on the health of children and families in Orange, Los Angeles and Riverside Counties through programs and partnerships that promote healthier decisions and provide opportunities to get involved, give back, and get connected. Being healthy means more than simply being physically active. It's about maintaining a balanced spirit mind and body. The Y is a place where everyone can work toward that balance by challenging themselves to learn a new skill or hobby, fostering connections with friends through lifelong learning programs, and bringing loved ones closer together through family-centered activities. At the Y, it's not about the activity as much as it is about the benefits of living healthier.
- Adventure Guides Activities: The Y provides Adventure Guides participants with a family-oriented program providing an opportunity for parents and children to spend quality one-on-one time together to help strengthen family relationships and create memories that will last a lifetime. The Y's core values of caring, honesty, respect, and responsibility provide direction as parent's guide children on their journey. These four values provide guidance in helping children select activities, make decisions, and choose appropriate courses of action both in the program and in their lives. Along the way, adults model, teach, and demonstrate these values, as well as give children many opportunities to practice and celebrate with them.
- Camping: Y camps have a rich tradition dating back to as early as 1909. The Y offers both residential and day camps that are designed to help children learn to appreciate and respect nature and each other. Through the Y's core values of caring, honesty, respect, and responsibility, character development is nurtured. Y camping programs are educational and experiential; they promote cognitive development, physical well-being, social growth, character development, leadership skills, and a respect for the environment. Through a variety of engaging activities and the use of natural surroundings. YMCA camping programs encourage participants to explore and develop their interests and abilities in a safe and nurturing environment.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 1: Organization and Nature of Services (Continued)

Nature of Services (Continued)

Other Community Services, Y youth and teen programs give kids good role models to help
them develop self-esteem and good values, including cooperation, respect for the body,
good citizenship, and a strong work ethic. The Y provides a multitude of community
service programs providing safe and structured activities within a variety of services
largeted toward high-risk youth and at-risk populations. New Horizons is a program for
adults with developmental disabilities and special needs ages 18 and up. The New Horizons
program provides safe and supervised recreational outings in the community that offer
social interaction, skill building, and life-long friendships. While participants are having
fun, their full-time caregivers are provided with the "time-off" they need to better care for
their loved ones. The YMCA Inclusion program can be utilized for all children with special
needs and/or challenging behaviors. We provide services to children with developmental
and learning disabilities, sensory challenges, epilepsy, autism. ADIID, emotional
disturbance, as well as assist with self-care (dispering, feeding, etc.) if needed. The
Organization provides unique styles of programming to impact the growing epidemic of
youth obesity through school-based fitness and nutrition programs. These services enhance
the lives of youth their families and provide enrichment to the community.

Note 2: Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America ("US GAAP").

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 958-205. Presentation of Financial Statements, the Organization's resources are classified for accounting and reporting purposes into three net asset categories according to the existence or absence of donor-imposed restrictions. Generally, the donors of these assets permit the Organization to use all or part of the income earned on related investments for general or specific purposes. Accordingly, the net assets of the Organization are classified and reported as follows:

Unrestricted Net Assets - Unrestricted net assets are net assets that are not subject to donor-imposed stipulations and revenue generated from providing services and interest on investments.

Note 2: Summary of Significant Accounting Policies (Continued)

Basis of Presentation (Continued)

- Temporarily Restricted Net Assets Temporarily restricted net assets are net assets subject to donor-imposed stipulations that can be fulfilled by the actions of the Organization pursuant to those stipulations or that expire by the passage of time. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities. However, if a restriction is fulfilled in the same period in which the contribution is received, the Organization reports the support as unrestricted.
- Permanently Restricted Net Assets Permanently restricted not assets are not assets that are restricted by donors who stipulate that resources are to be maintained permanently, but permit the Organization to expend all of the income (or other economic benefits) derived from the donated assets.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are valued at their fair values in the statements of financial position. Unrealized gains and losses are included in investment income in the Organization's accompanying statements of activities.

Accounts Receivable

The Organization's accounts receivable are primarily fees for services provided and rent that is due. Accounts receivable are periodically evaluated for collectability based on past credit history with customers and their current financial condition. The allowance for doubtful accounts is determined on the basis of loss experience, economic conditions in the industry, and the financial stability of customers.

Land Held for Resale

The Organization owned certain land in Huntington Beach that was originally purchased to build a facility for YMCA programs. Due to zoning restrictions, it became difficult to build the facility originally intended. The Organization sold the property on March 3, 2017, for \$1,009,660, resulting in a gain of \$803,885.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation if purchased or at the estimated fair value if donated. Maintenance and repairs are expensed as incurred. Depreciation is computed using the straight-line method over the estimated useful lives of the assets ranging from 10 to 40 years for buildings and improvements, 3 to 10 years for furniture and equipment, and 3 to 7 years for vehicles.

15

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 2: Summary of Significant Accounting Policies (Continued)

Long-Lived Assets and Asset Impairment

The Organization accounts for impairment and disposition of long-lived assets in accordance with the FASB ASC 360-10. *Property. Plant, and Equipment.* FASB ASC 360-10 requires impairment losses to be recognized for long-lived assets used in operations when indicators of impairment are present and the undiscounted future cash flows are not sufficient to recover the assets' carrying amount. For the years ended December 31, 2017 and 2016, there was no impairment of the value of such assets:

Donated Materials, Services, and Facilities

Donated materials and other noncash contributions are reflected in the accompanying financial statements at their estimated fair market value at the date of receipt.

Contributions of services are recognized if the services received create or enhance nonfinancial assets or require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. Volunteer services that do not meet these criteria are not recognized in the financial statements, as there is no objective basis of deriving their value.

Donated use of facilities/land during the years ended December 31, 2017 and 2016, included 3.57 acres of land from the US Army, a 20,455 square-foot building, and 23,655 square feet of land from the City of Laguna Niguel. In addition, the Organization occupies 4 acres of land, as well as a 27,327 square-foot building donated by the City of Mission Viejo. Donated use of facilities/land is considered an exchange transaction and recorded as revenue and occupancy organization recognized fair value of \$944,898 for donated use of these facilities for the years ended December 31, 2017 and 2016. The methodology to estimate the fair value of the donated use of facilities is the market approach. The market approach uses comparable available buildings and actual completed transactions to determine values. Thus, the market approach provides a good estimate of what the property would sell or lease for if it were vacant and available for a buyer/kenant to occupy.

Accrued Vacation

As of December 31, 2017 and 2016, the accrued vacation liability was \$522,190 and \$493,945, respectively, and is included as a component of accrued payroll and employee benefits in the accompanying financial statements.

Note 2: Summary of Significant Accounting Policies (Continued)

Revenue Recognition

Amounts received from grants and contracts are not reported as revenue until the resources are expended for the purpose specified or until a stipulated time restriction ends.

In accordance with FASB ASC 958-605, Revenue Recognition, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases in liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other support that is restricted by the donor is reported as an increase in temporarily or permanently restricted not assets depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis in the statements of functional expenses. Accordingly, certain costs have been allocated among the program and supporting services by a method that best measures the relative degree of benefit. Program services are direct costs, and supporting services are indirect costs. Additionally, the costs of the subsidiary, Tipper, LLC, have been summarized on a functional basis in the consolidated statement of functional expenses.

Use of Estimates

The process of preparing financial statements in accordance with US GAAP requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues, and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

Income Taxes

The YMCA is recognized as tax-exempt under Section 501(c)(3) of the Internal Revenue Code and the corresponding state code as a charitable organization whereby only unrelated business income is subject to income tax. The YMCA had no unrelated business income during the years ended December 31, 2017 and 2016. Accordingly, there is no provision for income taxes in the accompanying financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 2: Summary of Significant Accounting Policies (Continued)

Income Taxes (Continued)

In accordance with FASB ASC 740-10-25, *Income Taxes*, an organization must recognize the tax benefit associated with tax taken for tax return purposes when it is more likely than not the position will be sustained. The YMCA does not believe there are any material uncertain tax positions, and accordingly, it has not recognized any liability for unrecognized tax benefits or any related interest or penalties at December 31, 2017 and 2016. The YMCA's tax years from 2015 to 2017 are open to review for federal tax purposes, and tax years from 2014 to 2017 are open to review for state income tax purposes.

Tipper is taxed as a partnership for federal tax purposes and accordingly pays no federal taxes. For California purposes, Tipper pays a minimum state of California tax of \$800 plus a fee based on its total revenue.

Tipper accounts for uncertain tax positions by making subjective assumptions and judgments regarding its income tax exposures. The application of income tax law is inherently complex. Laws and regulations in this area are voluminous and often ambiguous. Interpretations and guidance surrounding income tax laws and regulations change over time. As such, changes in Tipper's subjective assumptions and judgments can materially affect amounts recognized in the statements of financial position and the statements of activities.

Tipper's policy is to recognize interest and/or penalties related to all tax positions in income tax expense. To the extent that accrued interest and penalties do not ultimately become payable, amounts accrued will be reduced and reflected as a reduction of the overall income tax provision in the period that such determination is made. No interest or penalties were accrued as of December 31, 2017.

Tipper files income tax returns in US federal and California state jurisdictions. There are currently no open years subject to US federal or state income tax examination.

Recent Accounting Pronouncements

In May 2014, the FASB issued Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers (Topic 606). The ASU establishes new revenue recognition guidance ("ASC 606"), which replaces the current revenue recognition guidance. ASC 606 is a comprehensive revenue recognition standard for virtually all industries, including those that previously followed industry-specific guidance, such as the real estate, construction, and software industries. The core principle of ASC 606 is to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASC 606 is effective for nonyublic companies for annual periods beginning after December 15, 2019. Barly adoption is permitted, but no earlier than periods beginning after December 15, 2019. Early adoption is permitted, but no earlier than periods beginning after December 15, 2019. The Organization is currently evaluating the impact of the previsions of ASC 606 on the presentation of its financial statements.

9

Note 2: Summary of Significant Accounting Policies (Continued)

Recent Accounting Pronouncements (Continued)

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)*. The ASU amends a number of aspects of lease accounting, including requiring lessees to recognize on their balance sheet a right-of-use asset and a lease liability for all operating leases with a term of more than 12 months. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of asset not to recognize the right-of-use asset and lease liability. ASU 2016-02 is effective for fiscal years beginning after December 15, 2019; however, early adoption is permitted. The Organization is currently evaluating the impact of the provisions of ASU 2016-02 on its financial statements.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments - Credit Losses (Topic 326). ASU 2016-13 requires that credit losses on most financial assets measured at amortized cost and certain other instruments be measured using an expected credit loss model (referred to as the current expected credit loss model). The ASU also replaces the current accounting model for purchased credit impaired loans and debt securities. Further, the ASU made certain targeted amendments to the existing impairment model for available-for-sale debt securities. For nonpublic entities, including not-for-profit entities and employee benefit plans within the scope of Topics 960-965 on plan accounting, the amendments are effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2021, and interim periods within fiscal provisions of ASU 2016-13 on the presentation of its financial statements.

In August 2016, the FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958). ASU 2016-14 changes how a not-for-profit organization classifies its net assets, as well as the information if presents in financial statements and notes about its liquidity, financial performance, and cash flows. The ASU requires amended presentation and disclosures to help not-for-profit organizations provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. ASU 2016-14 is effective for fiscal years beginning after December 15, 2017, and early application is permitted. The Organization is currently evaluating the impact of the provisions of ASU 2016-14 on the presentation of its financial statements.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 3: Cash and Cash Equivalents

Cash and cash equivalents consist of the following as of December 31, 2017 and 2016:

2016	\$ 2,750 3,841,187 556,351	\$ 4,400,288
2017	\$ 3,000 1,913,984 464,700 19,238	\$ 2,400,922
	Petty cash Demand deposits Money market accounts Trust account	Total Cash and Cash Equivalents

The Organization maintains cash and cash equivalent balances at several banks. Accounts at each institution are insured by the Federal Deposit Insurance Corporation for up to \$250,000. The Organization has deposits with banks in excess of federally insured limits of \$1,766,265 and \$3,680,287 at December 31, 2017 and 2016, respectively.

The Organization's money market accounts are considered Level I fair value measurements, as more fully described in Note 8.

Tipper engaged Reliant Real Estate Management, Inc. ("REMM"), a property management company, to manage rental lease contracts and building maintenance. As part of the agreemen, REMM established a trust account to which Tipper is the beneficiary.

Included in eash and eash equivalents are certain funds that are restricted for long-term purposes, including the endowment fund balance. Restricted balances totaled \$90,000 as of December 31, 2017 and 2016.

Note 4: Investments

The fair value of investments at December 31, 2017 and 2016, is as follows:

2016	\$ 1,939,577 151.893 153,827 5,624,902 1,178,590	\$ 9,048,789
2017	\$ 2,562,371 101,756 153,554 7,205,849 1,458,834	\$ 11,482,364
	Equity securities Municipal bonds Corporate bonds Mutual funds	Total Investments

Note 4: Investments (Continued)

Investment income, net consists of the following for the years ended December 31, 2017 and 2016;

2016	46 \$ 210,411 (61,618) (10 389,057 (67,378)	30 \$ 470,472
2017	\$ 244,746 93,933 1,133,710 (77,759	\$ 1,394,630
	Interest and dividend income Net realized (losses) gains Net unrealized gains Less: Management fees	Investment Income, Net

Note 5: Accounts Receivable

Accounts receivable are composed of the following at December 31, 2017 and 2016:

2016	\$ 283,172 272,892 301,392	\$ 857.456
2017	\$ 338,653 345,818 64,085 (9,923)	\$ 738,633
	Grants (governmental/foundation) Program Other Less: Allowance for doubtful accounts	Total Accounts Receivable

Note 6: Property and Equipment

Property and equipment consist of the following at December 31, 2017 and 2016:

2016	\$ 3,377,403 16,965,164 4,204,471 326,748	24,873,786 (12,755,101) 111,856 \$ 12,230,541	
2017	\$ 4,923,743 21,110,763 4,235,168 421,399	30,691,073 (13,807,197) 617,441 \$ 17,501,317	
	Land Buildings and improvements Furniture and equipment Vehicles	Less: Accumulated depreciation Construction in progress Property and Equipment, Net	

Depreciation expense for the years ended December 31, 2017 and 2016, was \$1,522,696 and \$1.391.854, respectively.

22

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 6: Property and Equipment (Continued)

The Organization completed a project in Santa Ana in November 2010, which was the site of a new YMCA facility. The project included two recreational pools, a soccer arena, sports field, a health and nutrition modular facility, and an office modular, along with an Olympic-size pool with lockers and shower facilities on the Segerstrom High School campus that is adjacent to the YMCA site. The majority of the project was funded by the Children and Families Commission of Orange County (the "Commission"). The grant is considered to be an exchange transaction pursuant to the YMCA contract with the Commission to provide certain community services at the site over a specified 10-year period. Accordingly, the Commission funding is not recognized as revenue upon incurrence of the related construction costs. Funding from the Commission is recorded as deferred revenue to be recognized ratably over the 10-year service period sipulated in the contract with the Commission. Revenue recognition commenced January 2012 and continues through December 2020 at a rate of \$250,000 per year. Deferred Santa Ana project funding as of December 31, 2017 and 2016, was \$750,000 and \$1,000,000, respectively.

Note 7: Lease Rental Income

Tipper leases office space to various tenants under rental lease agreements expiring in years through 2020.

Minimum future lease payments to be received as of December 31, 2017, are as follows:

175,733	19.383	278,967
69		6/3
2018	2020	Total

Note 8: Fair Value Measurements

FASB ASC 820, Fair Value Measurements and Disclosures, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

Note 8: Fair Value Measurements (Continued)

The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1: Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access.

Level 2: Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability; or
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

OUSELVANIE FOR SUCRIFICATION THE THIN ICEM OF THE BASSET OF HADHING.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair

value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on

used need to maximize the use of observable inputs and minimize the use of unobservable inputs. The following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at December 31, 2017 and 2016.

the lowest level of any input that is significant to the fair value measurement. Valuation techniques

Equity Securities and Exchange-Traded Products: Valued at the closing price reported on the active market on which the individual securities are traded.

Municipal and Corporate Bonds: Valued at prices obtained from independent pricing services, without adjustment.

Mutual Funds: Valued at the daily closing price as reported by the fund. Mutual funds held are open-end mutual funds that are registored with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by a retirement plan are deemed to be actively traded.

The preceding methods may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

24

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 8: Fair Value Measurements (Continued)

The following table provides fair value measurement information for financial assets measured at fair value on a recurring basis as of December 31, 2017:

Significant	Unobservable	Inputs	(Level 3)		36		6 1		ė.	-		0	c					96		•		69
Significant Other	Observable	Inputs	(Level 2)		65	•	9				•	500	~	•	101.756	153 554		•		1		\$ 255,310
Quoted Prices in Active	Markets for	Identical Assets	(Level 1)		\$ 351,103	242,290	163.938	403.879	322.974	238.717	658.667	60.426	61.741	58.637	1	100		5,732,581	1.473.267	1,458,834	1	S 11,227,054
		Fair	Value		\$ 351,103	242,290	163,938	403,879	322,974	238,717	658,667	60,426	61.741	58.637	101,756	153,554		5,732,581	1,473,267	1,458,834		3 11.482,364
			:	Equity Securities:	Consumer discretionary	Consumer goods	Energy	Financials	Health care	Industrials	Information technology	International stock	Materials	Utilities	Municipal Bonds	Corporate Bonds	Mutual Funds:	Domestic	Foreign	Exchange-Traded Products	T. 4-1	Total

Note 8: Fair Value Measurements (Continued)

The following table provides fair value measurement information for financial assets measured at fair value on a recurring basis as of December 31, 2016:

Significant Unobservable Inputs	(Pevel 3)	69	000		000			100	0.9	•			99				:3	69
Significant Other Observable Inputs	1704017	-	2	9					31.2	:	11.0	151.893	153.827		•	2	•	\$ 305,720
Quoted Prices in Active Markets for Identical Assets (Level 1)		\$ 284,313	218,781	90,180	298,472	261.888	179,784	444,445	45,818	39,263	76,633		7		4,588,018	1.036.884	1,178,590	\$ 8.743.069
Fair Value		\$ 284,313	218,781	90,180	298,472	261,888	179,784	444,445	45,818	39,263	76,633	151,893	153,827		4,588,018	1.036.884	1,178,590	\$ 9.048.789
	Equity Securities:	Consumer discretionary	Consumer goods	Energy	Financials	Health care	Industrials	Information technology	International stock	Materials	Utilities	Municipal Bonds	Corporate Bonds	Mutual Funds:	Domestic	Foreign	Exchange-Traded Products	Total

Note 9: Notes Payable

In September 2011, the YMCA entered into a \$2,300,000 note with a variable interest rate, payable to Bank of America, N.A. in monthly principal and interest installments. The variable interest rate at December 31, 2016, was 2.98 percent. The final payment was due on January 29, 2017. The note was refinanced with Bank of America, N.A. in January 2017 to a fixed interest rate of 4.43 percent due on February 1, 2022, with a new principal balance of \$1,680,000. This note is secured by the Fullerton Family YMCA facility. The outstanding balance as of December 31, 2017 and 2016, is \$1,614,021 and \$1,659,004, respectively.

In September 2017, Tipper entered into a note payable of \$3,000,000 with HomeStreet Bank. The note payable bears a fixed interest rate of 4.08 percent, with monthly payments of \$16.063 due through maturity with an estimated \$2,167,201 balloon payment due at maturity on October 1, 2027. The note is guaranteed by the YMCA and is secured by the Tustin building. The outstanding balance as of December 31, 2017, is \$2,382,349.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 9: Notes Payable (Continued)

The following table represents the maturities of the notes payable for succeeding years ending December 31:

- L	IRIOI	\$ 152.790	159.575	166 493	174.080	1,338,646	2,593,241	\$ 4,584,825	
Deferred Finance Costs	COSTS	\$ (1.175)	(1.175)	(1.175)	(1.175)	(1,175)	(5,670)	\$ (11,545)	
Principal Payments	CONTRACTOR	\$ 153,965	160,750	167,668	175,255	1,339,821	2,598,911	\$ 4,596,370	
		2018	2019	2020	2021	2022	Thereafter	Total	

Note 10: Net Assets Released from Restrictions

Net assets released from restrictions consist of the following at December 31, 2017 and 2016:

	2017	1	2016
Satisfaction of time restriction Satisfaction of purpose restriction	\$ 69	69,311 46,457	\$ 69,000
Total Net Assets Released from Restrictions	\$ 115,768	768	\$ 117.644

Note 11: Net Assets

Net assets consist of the following at December 31, 2017 and 2016:

2016	\$ 10,620,707	21,717,126
2017	\$ 12,938,721 10,111,294	23,050,015
Unrestricted Net Assets: Investment in property and equipment,	net of related debt Available for operations	Total unrestricted net assets

Note 11: Net Assets (Continued)

	\$ 241,360	69,311	310,671		90,000	90,000	\$ 22,117,797
	890,904	80,094	970,998		90,000	90,000	\$ 24,111,013
Temporarily Restricted Net Assets: Restricted for:	Subsequent years' programs	Annual partners' campaign	Total temporality restricted net assets	Permanently Restricted Net Assets: Restricted for:	Chick Hearn Foundation Endowment	Total pennanently restricted net assets	Total Net Assets

Note 12: Commitments and Contingencies

a) Obligations Held under Capital Leases

The Organization is the lessee of various equipment under capital leases expiring in years through 2020. The assets and liabilities held under capital leases are recorded at the lower of the present value of the minimum lease payments or the fair value of the asset. The assets are depreciated over the lower of the related lease terms or their estimated productive lives. Depreciation of assets under capital leases is included in depreciation expense for the years ended December 31, 2017 and 2016.

The following is a summary of property held under capital leases at December 31, 2017 and 2016:

2017 2016	\$ 950,527 \$ 771,348	(465,547) (465,786)	ases, Net <u>\$ 184,980</u> <u>\$ 326,452</u>
	Machinery and equipment Vehicle	Less: Accumulated depreciation	Property Held under Capital Leases, Net

Depreciation of assets held under capital leases charged to expense for the years ended December 31, 2017 and 2016, totaled \$320,651 and \$257,116, respectively.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 12: Commitments and Contingencies (Continued)

a) Obligations Held under Capital Leases (Continued)

2016

2017

Minimum future lease payments under capital leases as of December 31, 2017, are as follows:

69		,	643
2019	1 of a minimum lease payments Less: Amount representing interest	Present value of net minimum lease payments Current maturities of obligations held under capital leases	Long-Term Portion of Obligations Held under Capital Leases

Interest rates on capitalized leases vary from 3.63 percent to 6.68 percent and are based on the lessor's implicit rate of return.

b) Operating Leases

The Organization leases various facilities and equipment pursuant to lease agreements that expire through 2022. The Organization's facility leases provide for annual escalations, common area maintenance charges, and renewal options. The Organization is liable for insurance for both the facilities and equipment leases.

Future minimum payments under noncancelable operating leases with an initial term of one year or more are as follows for years ending December 31:

Total	\$ 1,058,617 587,763 510,788 473,061 378,136	\$ 3,008,365
Equipment	\$ 219,541 114,411 46,014 32,977 28,737	\$ 441.680
Facility	\$ 839,076 473,352 464,774 440,084 349,399	\$ 2,566,685
	2018 2019 2020 2021 2022	Total

Total rental expense for the operating leases described above was \$1,497,384 and \$1,212,728 for the years ended December 31, 2017 and 2016, respectively.

28

Note 12: Commitments and Contingencies (Continued)

c) Litigation

The Organization experiences litigation in the normal course of its business. Management does not believe that any pending or threatened litigation will have a material adverse effect on its financial statements.

Note 13: Related-Party Transactions

The Organization is a member of the National Council of Young Men's Christian Association of the United States of America ("National Council"). The Organization must meet annual certification requirements to remain a member. Support related to the National Council totaled \$415.289 and \$381,335, respectively, for the years ended December 31, 2017 and 2016.

The Organization participates in a defined contribution, individual account, and money purchase retirement plan, which is administered by the Young Men's Christian Association Retirement Fund ("Retirement Fund"), a separate corporation. The Retirement Fund is for the benefit of all eligible employees of the Organization who qualify under participation requirements.

In accordance with the Retirement Fund agreement, a percentage of the participating employee's qualified compensation is paid for by the Organization and is to be remitted to the Retirement Fund monthly. Total contributions made by the Organization that are charged to retirement costs for the years ended December 31, 2017 and 2016, aggregated \$1,035,824 and \$1,010,844, respectively. Unpaid contributions were \$137,035 and \$74,610, respectively, at December 31, 2017 and 2016, which represent December contributions.

The Retirement Fund is operated as a church pension plan and is a nonprofit, tax-exempt New York State corporation, which was established in 1922. Participation is available to all duly organized and reorganized YMCAs in the United States. As a defined contribution plan, the Retirement Fund has no unfunded benefit obligation.

In addition, the Organization has a bank account and note payable with HomeStreet Bank at December 31. 2017. There is a board member that is an employee of HomeStreet Bank. This board member abstains from decisions made concerning matters that would be a conflict of interest.

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2017 (CONSOLIDATED) AND 2016

Note 13: Related-Party Transactions (Continued)

In June 2015, the Organization paid \$5,500 to become a member of Y Purchasing Group, LLC ("YPG"). Membership in YPG requires the Organization to make certain purchases of supplies and equipment through YPG. The Organization's chief executive officer is a board member of YPG. In June 2015, the Organization guaranteed a line of credit for YPG, As of December 31, 2017, the outstanding balance on the line of credit was \$496,375 and the total amount of credit available is \$500,000.

Note 14: Special Events

The YMCA has nine operating branches, each of which organizes its own special event activities. Special events held by the various branches for the year ended December 31, 2017, were as follows:

Nct Revenue	\$ 51,142 73,740 18,175	\$ 143,057
Direct Expenses	(21,733) (52,244) (3 <u>8,859)</u>	(112,836)
	64	44
Gross	72,875 125,984 57,034	255.893
- 1	€4	69
	Dinners/breakfast Golf tournaments 5/10k runs	Total

Special events held by the various branches for the year ended December 31, 2016, were as follows:

Direct Net Expenses Revenue	0 \$ (34,455) \$ 52,175 5 (34,890) 68,595 5 (37,592) 16,623	0 \$ (106,937) \$ 137,393
Gross Revenue	\$ 86,630 103,485 54,215	\$ 244,33(
	Dinners/breakfast Golf tournaments 5/10k runs	Total

Note 15: Concentration of Risk

For the years ended December 31, 2017 and 2016, the Organization received approximately 37 percent and 38 percent, respectively, of its total support and revenues (excluding capital campaign, endowment, and other) from childcare fees associated with childcare services performed on the premises of facilities owned by the Capistrano Unified School District ("CUSD"). The Organization relies heavily upon these childcare fees to continue the related childcare programs. If the Organization's relationship with CUSD were to be terminated, it would likely cause a significant reduction in the Organization's operations.

Note 16: Beneficial Interest in Trust

In 2013, the Organization received documentation of being named in a trust. The trust has two components: one that is revocable and one that is irrevocable. The irrevocable trust component includes the value of an estate, including real and personal property, insurance contracts, retirement investments, and other investments. The revocable trust must first be liquidated prior to the funds being available for the irrevocable trust component. The irrevocable trust requires certain payments to four beneficiaries. The remaining trust assets will then be distributed of which 15 percent will be distributed to the Organization. At this time, no trust assets have been distributed to the Organization and the beneficiary interest in the trust is not recorded in the accompanying financial statements because fair value cannot be estimated.

Note 17: Pomona Valley YMCA

On March 9, 2017, the Organization entered into an asset transfer agreement with the Young Men's Christian Association of Pomona Valley ("YMCA Pomona"). Under the terms of the agreement, YMCA Pomona agreed to transfer rights of certain assets, and proceeds from future sales of other assets, to the Organization and granted the Organization rights to operate in YMCA Pomona's service area.

Note 18: Reclassifications

Certain reclassifications have been made to the 2016 financial statements in order to conform to the current-year presentation. These reclassifications had no effect on the reported results of operations.

Note 19: Subsequent Events

Events occurring after December 31, 2017, have been evaluated for possible adjustment to the financial statements or disclosure as of May 17, 2018, which is the date the financial statements were available to be issued.

CONSOLIDATING INFORMATION

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY SCHEDULE I - CONSOLIDATING STATEMENT OF FINANCIAL POSITION DECEMBER 31, 2017

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY AND SUBSIDIARY SCHEDULE II - CONSOLIDATING STATEMENT OF ACTIVITIES AND CHANGES IN MEMBER'S EQUITY

YEAR ENDED DECEMBER 31, 2017

\$ 1,141,402

69

49

\$ 1,141,402

Special events, net of direct costs

Operations
Support, Revenue, and Gains:
Fundraising Support:

Total Fundraising Support

1,284,459

Total

Eliminations

Tipper, LLC

YMCA

1,284,459

19,643,120 7,910,829 2,962,377 1,817,257 2,578,365 944,898 1,281,156

19,643,120 7,910,829 2,962,377

Program Revenue: Childeare fees Membership fees Health and fitness fees Adventure guides fees

1.817,257 2.578,363 944.898 1.281,156 1.192,246

Donated use of facilities/land Camp fees Community programs fees Facility fees

Government assistance

332,666

38,662,912

332,666 38,662,912 195,204

733,000

(2,462)

124,161 124,161

733,000

40,924,777

(77,421)

40,878,037

Total Support, Revenue, and Gains

Operating Expenses:

Contribution from Pomona Valley YMCA

Other Income Rental Income

Total Program Revenue

15,819,132 12,483,175 1,963,594 694,866 3,077,438

15.819,132 12,483,175 1,963,594

Childrare Health and filness Adventure guides activities

Total Program Services Camping Other community services

Administration and general

Fundraising Tipper, LLC

Supporting Services:

3.077,438

694,866 34,038,205

		Total	\$ 2,400,922 11,482,364	738,633 25,392 497,227	15,144,538	184,980 17,501,317	60,200	60,200	\$ 32,891,035			\$ 584,594	1,647,093	488,571	250,000	86,499	3,731,575	40 160	500,000	76,252	< 0.48.447		8,780,022	5		23,050,015	000'06	24,111,013	\$ 32,891,035
		Eliminstions	92	2.00			(8,609)	(8,609)	\$ (8,609)			6/2	3		×	T		3	2	ы	'			9		(8,609)		(8,609)	\$ (8,609)
		Tipper, LLC	\$ 71,953	13,020	105,075	5,166,514	(2,247,614)	(2,247,614)	\$ 3,023,975	SJ		\$ 4,402		11	ř.	60,309	117,57	40 160		2,901,495	2.941.655		3,015,300			8,609		8,609	\$ 3,023,975
DEC. SMBER 31, 2017	ASSETS	YMCA	\$ 2,328,969	725,613 25,392 477,125	15,039,463	184,980 12,334,803	60,200 8,609 2,247,614	2,316,423	\$ 29,875,669	LIABILITIES AND NET ASSETS		580,192	1,647,093	488,571		83,481	3,657,864	9		76,252	2,106,792	1	3,764,036	(4		23,050,015	000'06	24,111,013	\$ 29,875,669
UEA, IS			Cuntun Assets: Cach and cash equivalents (Note 3) (whenexers (Notes 4 and 8) ReceiveMex.	Accounts receivable, net (Note 5) Pledges receivable, net Prepaid expense and other current assets.	Total Current Assets	Property Held under Capital Leases, Net Property and Equipment, Net (Note 6)	Other Assets: Deposits Investment in subsidiary Due thom YMCA	Total Other Assets	Total Assets	LABILITIE	Current Liabilities:	Accounts payable	Accrued payroll and employee benefits Program fees received in advance	Accrued expenses	Deferred Santa Ana project funding, current portion (Note 6) Current manuface of obligations had under sensial Langua Glade 200	Notes payable, current portion (Note 9)	Total Current Liabilities	Long-Term Liabilities; Deposits payable	Deferred Santa Ana project funding, less current portion (Note 6)	Long-term portion of obligations held under capital leases (Note 12a) Notes payable, less current portion (Note 9)	Total Long-Term Liabilities	Total Lichtliffee	CAMBINATO TOTAL TO	Commitments and Contingencies (Note 12)	Net Assets (Note 11):	Confessioner assets Temporarily restricted	Permanently restricted	Total Net Assets	Total Liabilities and Net Assets

See accompanying independent auditors' report.

See accompanying independent auditors' report.

(125,531)

(1,391)

(124,140)

6,485,150 403,863 123,090

(74,959) (2,462) 7,012,103 41.050,308

(77.421)(77,421)

6,963,972 41,002,177

Total Supporting Services

Total Operating Expenses

Operating Margin

Nonoperating

125,552 125,552 125,552

6,560,109 403,863

34,038,205

(79,768)

1394,630 803.885

1,391

803,885

Investment Income Gain on Sale of Property Held for Resale Loss on Disposal of Capital Assets

1.393,239

2,118,747

1391 1,391

1,993,216

(1,391)10,000

1,993,216

Increase (Decrease) in Net Assets

Net Assets. Beginning of Year Member Contributions

Net Assets, End of Year

Total Nonoperating

2,117,356

22,117,797

\$ 24,111,013

22,117,797

\$ 24,111,013

(8,609)

(10,000)

YMCA OF ORANGE COUNTY



FOR YOUTH DEVELOPMENT® FOR HEALTHY LIVING FOR SOCIAL RESPONSIBILITY

Audit Results

December 31, 2017

The following communication was prepared as part of our audit, has consequential limitations, and is intended solely for the information and use of those charged with governance (e.g., Board of Trustees and Audit Committee) and, if appropriate, management of the Organization and is not intended to be, and shall not be used by anyone other than these specified parties.

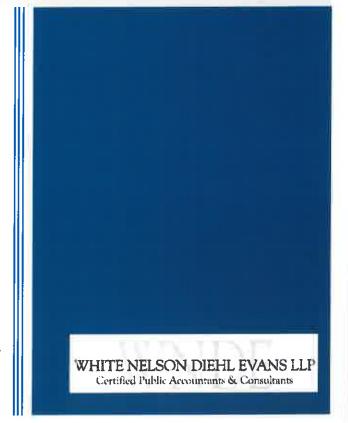


Table of Contents

Pa	ıge
ter to the Board of Directors and Management	. 1
7 Audit Results	
Summary of Our Audit Approach and Results	. 2
Significant Estimates	4
Accountant's Opinion	5
Required Communications	6
Accounting Standards Update	9
pendices	
Internal Control Related Matters	1
Proposed Audit Adjustments Not Recorded	2



To the Board of Directors and Management of YMCA of Orange County, Inc. 13821 Newport Ave. #200, Tustin, CA 92780

We have completed our audit of the consolidated financial statements of the Young Men's Christian Association of Orange County and subsidiary (collectively the "Organization") as of and for the year ended December 31, 2017. This report includes communications required under auditing standards generally accepted in the United States of America, as well as other matters.

Our audit plan represented an approach responsive to the assessment of risk of material misstatement in financial reporting for the Organization. Specifically, auditing standards require us to:

- Express an opinion on the December 31, 2017, consolidated financial statements of the Organization.
- Issue communications required under auditing standards generally accepted in the United States of America to assist the partners and management committee in overseeing management's financial reporting and disclosure process.

This communication is intended solely for the information and use of the board of directors, management, and others within the Organization and is not intended to be, and should not be, used by anyone other than these specified parties.

We appreciate the opportunity to serve your Organization and look forward to a continued business relationship. If you have any questions, concerns, or accounting related matters we can assist with, please do not hesitate to contact us.

Irvine, California

White News Diede Grand UP

May 17, 2018

Summary of Our Audit Approach and Results

Our Approach

White Nelson Diehl Evans LLP's audit approach focuses on areas of higher risk — the unique characteristics of the Organization's operating environment, the design effectiveness of your internal controls and your financial statement amounts and disclosures. The objective is to express an opinion on the conformity of your consolidated financial statements, in all material respects, with accounting principles generally accepted in the United States of America.

Areas of Audit Emphasis

The principal areas of audit emphasis and results were as follows:

Emphasis Area

Management override of controls — The risk that management may override existing and functioning accounting controls is an inherent risk to the Organization.

Revenue recognition – Risk of error in the recognition of revenue earned and application of industry-specific rules.

Functional expense allocation – The risk that management will improperly allocate administrative expenses as program expenses.

Cash Handling at Multiple Locations – Risk of misappropriation of cash due to the nature of risk related to accepting cash at multiple locations.

Net Assets – Risk that restricted assets are not properly classified or prematurity released from restriction.

Results

No matters are reportable.

Summary of Our Audit Approach and Results (Continued)

Areas of Audit Emphasis (Continued)

Emphasis Area

Investment in Subsidiary – The risk that management will improperly identify all necessary eliminating entries required for consolidation of financial statements.

Results

No matters are reportable.

Significant Estimates

The preparation of the consolidated financial statements requires considerable judgment because some assets, liabilities, revenues and expenses are "estimated" based on management's assumptions about future outcomes. For example, the value of contributed assets is impacted by the condition of the assets. Other estimates may be dependent on assumptions related to economic or environmental conditions, regulatory reform or changes in industry trends.

Some estimates are inherently more difficult to evaluate and highly susceptible to variation because the assumptions relating to future outcomes have a higher degree of uncertainty. To the extent future outcomes are different than expected, management's estimates are adjusted in future periods, sometimes having a significant effect on subsequent period financial statements.

The following are considered to be significant estimates for the Organization:

- Allowance for Doubtful Accounts Year-end receivables are examined by management to evaluate aging of accounts, specific customer circumstances and likelihood of collectability in order to estimate a balance that is likely not be collected.
- Value of Contributed Assets Management estimates the fair market value of in-kind contributions received based on price which the assets could be sold in a used goods marketplace or based on the value of services that could be obtained in the marketplace.
- Useful Lives of Fixed Assets Management estimates the useful lives of fixed assets to
 determine the timeframe over which the assets will be depreciated.
- Contingent Losses Management estimates the amount of liability to accrue for probable losses as a result of legal proceedings.

We evaluated the key factors and assumptions used to develop the estimates above in determining that they are reasonable in relation to the consolidated financial statements taken as a whole.

Accountant's Opinion

Unmodified or "Clean" Opinion Issued on Consolidated Financial statements

We have audited the consolidated financial statements Young Men's Christian Association of Orange County and subsidiary for the year ended December 31, 2017, and have issued our report thereon dated May 17, 2018. We have issued an unmodified or "clean" opinion, that the consolidated financial statements of the Organization as of December 31, 2017 are fairly presented, in all material respects, in accordance with accounting principles generally accepted in the United States of America.

Required Communications

Generally accepted auditing standards require the auditor to ensure those charged with governance receive additional information regarding the scope and results of the audit that may assist you in overseeing management's financial reporting and disclosure process. Below, we summarize these required communications.

Auditor's Responsibilities under Auditing Standards Generally Accepted in the United States of America (GAAS)

An audit performed in accordance with auditing standards generally accepted in the United States of America is designed to obtain reasonable, rather than absolute, assurance about the consolidated financial statements. In performing auditing procedures, we establish scopes of audit tests in relation to the consolidated financial statements taken as a whole. Our engagement does not include a detailed audit of every transaction. Our engagement letter more specifically describes our responsibilities.

These standards require communication of significant matters related to the consolidated financial statement audit that are relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. Such matters are communicated in the remainder of this communication, or have previously been communicated during other phases of the audit. The standards do not require the auditor to design procedures for the purpose of identifying other matters to be communicated with those charged with governance.

An audit of the consolidated financial statements does not relieve management or those charged with governance of their responsibilities. Our engagement letter more specifically describes your responsibilities.

Professional standards also require that we communicate the following information relating to our audit.

Area

Qualitative Aspects of Accounting Practices

- Significant accounting policies are described in Note 1 of the financial statements.
- We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus.
- All significant transactions have been recognized in the financial statements in the proper period.

Comments

No matters are reportable.

Required Communications (Continued)

Area

Qualitative Aspects of Accounting Practices (Continued)

 No new accounting policies were adopted and the application of existing policies was not changed during 2017.

Financial Statement Disclosures are neutral, consistent, and clear

Difficulties Encountered in Performing the Audit

Disagreements With Management

Management Consultation With Other Accountants

Audit Adjustments

- During the course of any audit, an auditor may propose adjustments to financial statement amounts.
 Management evaluates our proposals and records those adjustments that, in its judgment, are required to prevent the financial statements from being materially misstated.
- Certain adjustments proposed were not recorded because their effects are not material.

Comments

No matters are reportable.

Areas in which adjustments were proposed include:

Proposed Audit Adjustments Not Recorded

Appendix 2 contains a summary of uncorrected misstatements we aggregated during the current engagement and pertaining to the latest period presented that were determined by management to be immaterial to the financial statements as a whole.

Required Communications (Continued)

Other Material Written Communications

We have requested certain representations from management that were included in the management representation letter dated May 17, 2018.

In addition, Appendix 1 attached to this letter lists our comments relating to internal control matters noted during the course of our audit.

Accounting Standards Update

In May 2014, the FASB issued Accounting Standards Update ("ASU") 2014-09, Revenue from Contracts with Customers (Topic 606). The ASU establishes new revenue recognition guidance ("ASC 606"), which replaces the current revenue recognition guidance. ASC 606 is a comprehensive revenue recognition standard for virtually all industries, including those that previously followed industry-specific guidance, such as the real estate, construction, and software industries. The core principle of ASC 606 is to recognize revenue to depict the transfer of goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. ASC 606 is effective for nonpublic companies for annual periods beginning after December 15, 2018, and interim periods within annual reporting periods beginning after December 15, 2019. Early adoption is permitted, but no earlier than periods beginning after December 15, 2016. The Organization is currently evaluating the impact of the provisions of ASC 606 on the presentation of its consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The ASU amends a number of aspects of lease accounting, including requiring lessees to recognize on their balance sheet a right-of-use asset and a lease liability for all operating leases with a term of more than 12 months. For leases with a term of 12 months or less, a lessee is permitted to make an accounting policy election by class of asset not to recognize the right-of-use asset and lease liability. ASU 2016-02 is effective for fiscal years beginning after December 15, 2019; however, early adoption is permitted. The Organization is currently evaluating the impact of the provisions of ASU 2016-02 on its consolidated financial statements.

In June 2016, the FASB issued ASU 2016-13, Financial Instruments - Credit Losses (Topic 326). ASU 2016-13 requires that credit losses on most financial assets measured at amortized cost and certain other instruments be measured using an expected credit loss model (referred to as the current expected credit loss model). The ASU also replaces the current accounting model for purchased credit impaired loans and debt securities. Further, the ASU made certain targeted amendments to the existing impairment model for available-for-sale debt securities. For nonpublic entities, including not-for-profit entities and employee benefit plans within the scope of Topics 960-965 on plan accounting, the amendments are effective for fiscal years beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. The Organization is currently evaluating the impact of the provisions of ASU 2016-13 on the presentation of its consolidated financial statements.

In August 2016, the FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958). ASU 2016-14 changes how a not-for-profit organization classifies its net assets, as well as the information it presents in consolidated financial statements and notes about its liquidity, financial performance, and cash flows. The ASU requires amended presentation and disclosures to help not-for-profit organizations provide more relevant information about their resources (and the changes in those resources) to donors, grantors, creditors, and other users. ASU 2016-14 is effective for fiscal years beginning after December 15, 2017, and early application is permitted. The Organization is currently evaluating the impact of the provisions of ASU 2016-14 on the presentation of its consolidated financial statements.

Appendix 1

INTERNAL CONTROL RELATED MATTERS

In planning and performing our audit of the consolidated financial statements of Young Men's Christian Association of Orange County and subsidiary (the "Organization") as of and for the year ended December 31, 2017, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the Organization's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in in internal control that we consider to be material weaknesses.

A significant deficiency is a deficiency, or combination of deficiencies, in internal control, that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. The items that we have considered to be significant deficiencies are detailed below.

This communication is intended solely for the information and use of the board of directors, management, and others within the Organization and is not intended to be, and should not be, used by anyone other than these specified parties.

SIGNIFICANT DEFICIENCIES

Cash Receipts: Segregation of Duties

We noted that, though it is not a part of her regular duties, the individual who performs the remote bank deposits has access to post cash receipts and also has access to the general ledger. A lack of segregation of duties in this area indicates weaker internal controls and could result in erroneous postings as well as create opportunities for fraudulent activities. We recommend that this individual's access to the post cash receipts be removed to strengthen the system of internal control over accounts receivable and cash receipts.

INTERNAL CONTROL RELATED MATTERS (CONTINUED)

SIGNIFICANT DEFICIENCIES (CONTINUED)

Cash Receipts: Segregation of Duties (Continued)

Management's Response

There are some compensating factors to offset the risk but upon hiring another person in accounting, likely in the next month, the remote deposit task will be shifted to another person. Currently, cash is rarely received at the Association Office and all funds whether cash or check are first received by another person who then gives it to the Senior Accountant for deposit. Cash receipts are entered in the software by a different person and in some cases a software other than Great Plains/Dynamics such as Daxko for Financial Development. In the other software, the cash receipts are entered before giving the Senior Accountant the funds to deposit and she cannot change the posting amounts in the other software. Cash receipts entered directly into Great Plains/Dynamics are generally entered by someone other than the person doing the remote deposit and in all cases must be reviewed and signed off by another party before posting.

Cash Disbursements: Segregation of Duties

During our audit we noted that the same individual who prints checks, controls the positive pay exceptions list. Control over both printing checks and clearing positive pay exceptions provides the opportunity for printing a fraudulent check, which may be cleared as an exception, without being detected. We recommend that positive pay exceptions be cleared by someone who does not have access to print checks.

Management's Response

Effective April 2018, clearing the positive pay exceptions are being done by our Staff Accountant who does not have access to print checks.

Cash Disbursements: Vendor Changes

During our audit, we noted that the individuals responsible for processing accounts payable can also make changes to the vendor master file. We understand that the limited size of the accounting department makes it impracticable to achieve an optimum segregation of duties. However, the internal accounting controls could be strengthened if a vendor master file edit report is reviewed periodically to ensure that improper edits are not being made, or the ability to add vendors be limited to someone who is not responsible for processing accounts payable.

Management's Response

We have contacted our software provider to see about creating a custom report to report on all vendor master record additions, changes or deletions. This report will be reviewed periodically to ensure the validity of all changes. If we find the report is not feasible then we will reassign vendor master records to someone who is not responsible for accounts payable.

Appendix 2

Passed Journal Entries JE# 30

Known: To accrue commercial card charges as of 12/31/17

3690 Misc Administrative Exp 7018 Accounts Payable (Accruais)

Total

36,327.00 36,327.00 36,327.00

Passed Journal Entries JE # 302

Known: To record prior period adjustment to correct errors caused by recording and removing assets through journal entry instead of the fixed

8501 **Current Fund Balance** 1998 Gain on Sale of Assets 2890 Depreciation Expense Total

178,253.00

36,327.00

70,667.00 107,586.00

178,253.00

178,253.00



INDEPENDENT ACCOUNTANTS' REPORT AGREED-UPON PROCEDURES

Board of Directors Young Men's Christian Association of Orange County Tustin, California

We have performed the procedures enumerated below, which were agreed to by the Young Men's Christian Association of Orange County ("YMCA"), solely to assist the YMCA with respect to the extended-day childcare revenue earned by the YMCA and reported to the Capistrano Unified School District ("CUSD") during the year ended December 31, 2017. YMCA's management is responsible for the extended-day childcare revenue reported to CUSD. The sufficiency of the procedures is solely the responsibility of the specified users of this report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. We obtained a copy of the extended-day childcare revenue contract between the YMCA and CUSD. We familiarized ourselves with specific conditions identified in this contract.

Results: We noted the following requirements applicable to the annual CUSD fee calculation:

- The vendor (YMCA) shall pay CUSD 1 percent of annual gross receipts for any and all
 extended-day childcare programs and additional programs operated in vendor-provided
 classrooms on CUSD property or CUSD classrooms or buildings.
- The CUSD fee of 1 percent will be based upon a minimum annual gross receipt of not less than \$4,000,000.
- We documented and analyzed the procedures used by the YMCA to properly track and report gross receipts generated from programs operated from classrooms or buildings located on CUSD property.

Results: Each program run by the YMCA is assigned a unique program code. All critical information related to a program such as site, location, dates, time session information, fees, and account number, is entered into a system defined table file in the Day Care Works ("DCW") system which is linked to this program code.

The general ledger number entered into the table file contains a field for branch number, as well as the program code that allocates the revenue to the specific program and the appropriate branch and department at which the program was offered. The table file does not accept an invalid general ledger account number.

Each participant is enrolled by selecting the unique program codes assigned to the specific program for which the participant is registering. On a monthly or daily basis, DCW will calculate the total revenue due for each enrolled and active participant.

DCW generates a daily posting report that is reviewed by the YMCA staff at the administrative office, which is posted to the general ledger. At the end of the year, the finance staff compiles a summary of all revenues posted to the general ledger, making adjustments for revenue generated from programs not operated from classrooms or buildings located on CUSD property, and calculates the fee due to CUSD per agreement provisions.

3. We obtained a summary schedule compiled by YMCA staff that documented the gross annual revenue for the year ended December 31, 2017, for each of the branches (South Coast, Saddleback Valley, Beach Cities, and YMCA Community Services) that operate programs on CUSD property. We traced the gross revenues reflected on this summary schedule to general ledger accounting records to determine if the revenue on the schedule agrees with the accounting records.

Results: We found that the gross annual revenue on the summary schedule for the South Coast, Saddleback Valley, Beach Cities, and YMCA Community Services branches agreed to the general ledger accounting records of the YMCA for the year ended December 31, 2017.

- 4. The summary schedule obtained for procedure 3. documented above reflected total gross annual revenue obtained from the general ledger accounting records, non-CUSD revenue eliminating adjustments, and adjusted gross annual revenue applicable to the CUSD fee base for the year ended December 31, 2017. The non-CUSD revenue eliminating adjustments reduced gross annual revenue by those revenues not generated by programs operating in classrooms or buildings located on CUSD property. After these adjustments were made, the adjusted gross annual revenue reflects only those revenues generated by programs operating in classrooms or buildings located on CUSD property. We tested the eliminating adjustments as follows:
 - For all revenue classifications (i.e., contributions, membership fees, program fees, etc.), which are eliminated 100 percent from the CUSD fee base, we analyzed the nature and source of the revenue to determine if revenue was appropriately excluded.
 - For revenue classifications where none or part of the revenue was eliminated (seven accounts in the year ended December 31, 2017), we analyzed the details supporting gross revenue for the accounts and reviewed for reasonableness to determine if the portion of the revenue eliminated from the CUSD fee base was correct.

Results: We found that the YMCA included all revenues generated by programs operating in classrooms or buildings located on CUSD property.

5. For those revenues determined to be applicable to the CUSD fee base in procedure 4. above, we tested the general ledger accounting records supporting the amount of gross revenue for the year ended December 31, 2017, to determine if gross revenues were correctly stated. We selected two revenue accounts: Child Development Fees and Community Programs. For these two revenue accounts, we judgmentally chose three months for each account and traced the monthly revenue reported in the general ledger to the member management report, which provides a detail of revenue posted to the general ledger by member.

Results: We found that for each monthly revenue amount tested for the year ended December 31, 2017, the amounts recorded in the general ledger system agreed with the detail accounting records of the member management system.

6. We traced the Child Development Fees reported in the general ledger for CUSD sites to the general ledger used to prepare the financial statements for the year ended December 31, 2017, to determine if accounting records provided to perform the preceding procedures agreed with the audited financial statements.

Results: We found that the accounting records provided by the YMCA to perform the procedures outlined above agreed with the audited general ledger used to prepare the financial statements for the year ended December 31, 2017.

7. We recalculated the total fee owed to CUSD from extended-day childcare revenues generated by programs operating in classrooms or buildings located on CUSD property and compared the fees owed with the fees paid by the YMCA to CUSD as of the date of this report (see Attachment A).

Results: The fees due to CUSD for the year ended December 31, 2017, were calculated to be \$147,130.

This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to, and did not, perform an audit or review, the objective of which would be the expression of an opinion or conclusion on the specified elements, accounts, or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the YMCA and CUSD and is not intended to be, and should not be, used by anyone other than those specified parties.

Irvine, California

White Nelson Diede Tuens UP

May 17, 2018

YOUNG MEN'S CHRISTIAN ASSOCIATION OF ORANGE COUNTY ATTACHMENT A CAPISTRANO UNIFIED SCHOOL DISTRICT FEE CALCULATION YEAR ENDED DECEMBER 31, 2017

	Fee for Base
	Year Ended
	December 31, 2017
Revenue Source: Child Development Fee Child Care Administration Fee Promotions Multichild Discounts Employee Discounts Scholarships Awarded Community Programs	\$ 15,335,723 142,450 (37,146) (291,800) (71,271) (513,897) 148,927
Total Revenue	14,712,986
CUSD % Fee Rate	1.0%
Fee Due to CUSD	\$ 147,130



Action

Item

Approval of YUSA Resolution Re: Child Protection & Aquatic Safety

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Executive Management Jeff McBride, CEO Dolores Daly, COO

RECOMMENDATION:

The Board of Directors approves the Resolution required by YMCA of the USA entitled YMCA Child Protection and Aquatic Safety Board Resolution.

REASON FOR ACTION:

YMCA of the USA's National Council Constitution now requires all YMCA's to be in compliance with the YMCA Child Protection and Aquatics Safety Membership Qualification by December 31, 2018. The new membership qualification, which has been be added to Article II, Section 2 of the National Council Constitution, reads as follows: "(k) Which annually certifies that, notwithstanding its local autonomy, the member association meets child abuse prevention and aquatics safety practices specified by the National Board.

This is a requirement of YMCA of the USA.

FINANCIAL IMPACT AND FUNDING SOURCE:

None



YMCA CHILD PROTECTION AND AQUATIC SAFETY BOARD RESOLUTION For Certification Year 2018

BE IT RESOLVED, that the Board of Directors of the (YMCA) UMCA OF Orange, County	
Association # 05.35 does hereby certify that our association complies with the following practices	

- Our association completes a comprehensive child abuse prevention self-assessment, administered by a YMCA of the USA-approved vendor, at least every two (2) years.
- Our association has a policy requiring criminal background checks on staff and volunteers. We conduct background checks in compliance with applicable laws,
- Our association provides and requires training for staff and volunteers on preventing and responding to child abuse.
- Our association requires staff and volunteers to report child abuse in compliance with applicable laws.
- Our association has a policy requiring screening of members against a national sex offender registry. We screen in compliance with applicable laws.
- Our association follows a written protocol on how to respond when a member is identified as a registered sex offender. Our protocol complies with applicable laws.
- Our association complies with all applicable aquatic and safety codes and regulations established by state and local authorities. If local or state regulatory codes do not exist, our association complies with the standards found in the Centers for Disease Control and Prevention's Model Aquatic Health Code.
- Our association has a written aquatic safety plan as outlined in YMCA of the USA's Aquatic Safety Guidelines for Ys, and our lifeguards are certified, trained, tested and deployed.

Signature of Board Chair	Signature of Board Secretary (or other designated Board officer)
Printed Name of Board Chair	Printed Name of Board Secretary (or other designated
5/24/18	Board officer)
Date	Date
	Signature of Chief Executive Officer
Jeff McBride	Printed Name of Chief Executive Officer
5/24/18	Date

Properly executed Resolution is due to YMCA of the USA no later than January 31, 2019. Send in PDF format to: cms.info@ymca.net



Action

Item

Approval of Opening Morgan Stanley Account

Re: Transfer of Pomona General Funds

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Executive Management Jeff McBride, CEO Joyce Kirchhofer, CFO

RECOMMENDATION:

The Board of Directors approves opening an account with Morgan Stanley for the transfer of general funds in the 22600 Sunset Crossing account from Pomona Valley YMCA.

REASON FOR ACTION:

YMCA of Orange County through asset transfer agreement is acquiring all assets of Pomona Valley YMCA. Pomona Valley YMCA has a Morgan Stanley account specifically for 22600 Sunset Crossing general funds. To transfer the final assets the YMCA of Orange County needs to open an account with Morgan Stanley to transfer said funds.

FINANCIAL IMPACT AND FUNDING SOURCE:

Funds being transferred \$108,058 as of statement dated April 30, 2018



For Sunset Crossing General Ands

Morgan Stanley

Financial Advisor No. For Internal Use Only Branch No. Account No.

Account Application and Client Agreement

For Partnerships, Limited Liability Entities, Sole Proprietorships, Corporations and Unincorporated Associations Accounts for U.S. Taxpayers

- To ensure prompt processing of your account(s):

 1. Depending on the entity type, enter the ratne of the entity in the appropriate section on page 4 or 5.

 * Account for corporations require the separate Authorized Persons and Enabling Resolutions for Corporations document to be
- Accounts for unincorporated entities require the separate Authorized Persons and Enabling Resolutions for Municipalities and Certain Other Unincorporated Entities document to be signed and returned.
 - 2. Select the appropriate Federal Tax Classification and enter the legal address of the entity on page 8.
 - Enter the name and provide or verify the Tax Identification Number of the entity on page 8.
- If applicable, enter the exempt payee code and/or exempt FATCA reporting code on page 8 (see page 9 for exempt codes). All aurhorized person(s) must sign and dare where designated on page 8.
 - Please return pages 1-9, starting with this page. Please retain the arrached Client Agreement for your records,

PLEASE NOTEs. This application can be used to open a variety of entiry accounts—your signature(s) only serves as an agreement to the certification that applies to the specific account type you are opening.

Important Information About This Application

To open and maintain your account(s), each client must acknowledge receipt of and agree to the terms and conditions of the Morgan Stanley Smith Barnoy LLC (Working Suspay)" Client Agreement "Client Agreement"), any ancillary services you have elected to service, and any relevant disclosures that are contained in your account repeting materials and in this application. Each client mars also attest in the tax certification, and provide or verify their SNA or TIN. If you transmit an executed copy of the Client Agreement or other required documentation by facilintle, portable document format ("PD)?" or by any other decreonic method approved by Morgan Stanley, you agree to be bound by such electronic versions.

Account Linking Service

allows you to receive multiple account statements and other important information together in a single envelope, in a consolidated format, with a summary page showing the value of each linked account. Accounts with the same mailing address, banch, Financial Advisor, and SSN(s) or TIN(s) ("Account Link Group") will be subject to Morgan Stanley's automatic Account Linking Service. There is no charge for this service. After an account has been identified as eligible for automatic Account Linking, but before the account is added to an Account Link Group, you will see a message on your account statement advising you that the new account while he added during the following statement cycle. Upon receipt of your next account statement, all cligible linked account statements will be consolidated into a single curvelor. If you do not uside to take advantage of the automatic Account Linking Service you may opt-out of this service by To minimize the number of separate mailings you receive, we offer an automatic Account Linking Service. Our Account Linking Service contacting the Morgan Stanley team servicing your account(s).

consolidated statement can be accessed online through a single Morgan Stanley Online sign-on if you are an owner, or are authorized to You may request to add accounts to an Account Link Group that have different SSNs or TINs, provided all other eligibility rules are met. You understand that if you link your account(s) with account(s) owned by others, your personal and financial information will be provided to such other account owner(s) by virtue of being included in an Account Link Group. With Account Linking, your riew or transact on an account,

Morgan Randey South Rumey 11.C is a regioned broke-challer, ore a brude. When appropries, we have entered inno strangments with licensed brude and other third parties to said:
in offenge carrier article. It Is have seed tearficient of experient particles that when the proper between the brace. Proper neer instead by the PIM. They may be a special or the proper particles are to a farmed by the PIM. They are the proper particles are not sufficient or their bedgener of a depositely infantise, and as not gastranted by a depositely institution. You kinche understand they also have been proper particles are not supported to the property of the property

MAJUNG ADDRESS PHONE NUMBER(S)

The Cleart Agreement son furth the remns and conditions appliable in your accounts) and, together with the internant Account Information booket and may other account open-age information and informationate, provide improvement information obtain account services and fee. Also included in your account opening mercinal is a Margin Dischouse Secrement and a copy of our U.S. Photop Policy. The accounted you are opening it as incapange accounts, which is not regulated by the Euverment Advisors Art of 1940, as attended Cermin services may not be available in insidictions conside the Cultural Asses.

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROFRIETORSHIPS, CORPORATIONS AND UNINCORPORATED ASSOCIATIONS ACCOUNTS ACCOUNTS.

PAGE 1 OF 9 NY US 9175333 04/18

USA PATRIOT Act² Notice

government fight the funding of retroism and money laundering activities, federal law requires all U.S. financial institutions to obiain. verify, and record information that identifies each individual or institution that opens an account or establishes a customer relationship Important information about procedures for opening a new account or establishing a new relationship: To help the U.S. with Morgan Stanley. What this means for you when you open a new account or enter into a new customer relationship with Morgan Stanley, we will ask for your nature, legal address, date of birth (as applicable), SSN/TIN (as applicable) and other identification information. This information will be used to verify your identity. As appropriate, we may, in our discretion, ask for additional documentation or information. If all required documentation or information is not provided, Morgan Stanley may not be able to open an account or maintain a relationship with you.

Trusted Contact Authorization (optional)

and/ox the identity of any legal guardian, executor, trustee oc holder of a power of attorney or as otherwise permitted by the Rules of the By completing this section, you designate the person(s) listed below as your trusted contact person(s) ("Trusted Contact"). Your Trusted Contact(s) must be an individual 18 years of age or older. You understand that Morgan Stanley is authorized, in our discretion, unless required by applicable law, regulation or rule, to contact your Trusted Contact(s) and disclose information about you and/or your account(s) in order to address possible financial exploitation, confirm the specifics of your current connect information, health status. Financial Industry Regulatory Authority ("FINRA").

on your behalf. Morgan Stankey is authorized, but not obligated, unless required by law, regulation or rule, to conteact the Trusted Contact(s) This Trusted Contact Authorization does not grant your Trusted Contact(s) trading authorization of any other authority to make decisions listed below. Where multiple Trusted Contacts are listed, we may contact one or more Trusted Contacts in any order we deem appropriate. Please provide us with the information requested below.

Spaled Cartact Feeton	RELATIONSHIPWHICH ACCOUNT OWNER	CITY	EMAIL ADDRESS	Trades Cartaca Person	RELATIONSHIPWHICH ACCOUNT OWNER	TIO	EMAIL ADORESS	Strated Design Property	RELATIONSHIPWHICH ACCOUNT OWNER	YLID	EMAIL AODRESS	Thythel Conset Person	
	NAME OF TRUSTED CONTACT	MALLING ADDRESS	PHONE NUMBER(S)		NAME OF TRUSTED CONTACT	MALLING ADDRESS	PHONE NUMBER(S)		NAME OF TRUBTED CONTACT	MAILING ADDRESS	PHONE MUMBER(S)		

The Uniting and Streegethening America by Previding Appropriate Tools Required to Intercept and Otsstruct Terrorism Act of 2001, Pub. 1, No. 107-56 (2001).

ACCOUNT APPLICATION AND CLENT AGREEMENT FOR PARTNETSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIED DISCULPION SCOULNTS SOLE PROPRIED DISCULPS, GORGUNATION SCOULNTS SOLE PROPRIED TO SCHIPS, CORFORATIONS AND LIMINOSPROMENTED TO SCHIPS, CORFORDING SOLE PROPRIED TO SCHIPS, CORFORD SOLE PROPRIE

NAO AAABUSD

PAGE 2 OF 9 NY CS 9175333 04/18

Automatic Margin Privileges

Please note that your account(s) is automatically granted margin privilegest unless you check the "NO MARGIN" box below

your cumulative margin availability (accounts must be in the same name and held by you in the same capacity). For more information on margin privileges, please read the Margin Disclosure Statement which is provided to you as part of your account opening materials and is also available online at http://www.morganstanley.com/wealth-disclosures/pdf/Margin_Disclosure_Statement.pdf. See the Margin Interest Morgan Stanley account with margin privileges, the value of all marginable securities in your accounts may be aggregated to determine wealth-disclosures/pdf/Margin_Interest_Rare.pdf. Margin privileges may not be available in certain jurisdictions and are not available for all account types. If you have more than one Rate Schedule for margin interest tates available at http://www.morganstanley.com/

Automatic Cash Sweep

BDP_disclosure.pdf. If you are incligible to participate in the Bank Deposit Program, any free credit balances in all of your accounts will (e.g., certain persons residing outside the U.S.). The Bank Deposit Program is described in your account opening marerials, as well as in the Bank Deposit Program Disclosure Statement that can be found at http://www.morganstanley.com/wealth-investmentstrategies/pdf The Bank Deposit Program will be your default sweep investment unless you are incligible to participate in the Bank Deposit Program atically sweep into one of the following money market mutual funds' based upon eligibility:

- · Institutional Liquidity Funds Government Securities Pottfolio (available only if you are a U.S. Person and are not eligible for the Bank Deposit Program, or if you exceed the Deposit Maximum as defined in the Bank Deposit Program Disclosure)
 - SICAV U.S. Dollar Liquidity Fund Offshore Money Marker Mutual Fund (does not meet the requirements of 2,70,2a.7 of the U.S. tment Company Act and is not available to U.S. Persons as defined in Regulation S of the Securities Act of 1933)
- U.S. Government Money Market Trust (available only for individual retirement accounts that are not eligible for the Bank Deposit Program)

Cash Management (Not all account types are eligible for all Cash Management services) **CheckWriting**

🗀 If eligible you will receive 50 complimentary weller-style checks unless yon opt out of checkswiting privileges by checking this bos. Debit Card

If cligible, you will receive a free Morgan Stanley. Debit Card which is accepted at MastreCard", Massrro" and STAR" network locations

. If you check this box and your account type is eligible, you will receive a Debit Card.

Electronic Delivery (eDelivery)

. Check this box if you would like to enroll in Electronic Delivery of all eligible eDelivery Documents (as defined in the Client

lieu of rezeiving hard copies of such documents. These notifications will be sent to the email address that you provide below. At your first log-in to www.morganstanley.com/online there will be an email verification process that must be completed before electronic delivery can As a client enrolled in eDelivery, you will receive electronic notifications that certain documents are available for review electronically in Agreement) and agree to be bound by the Electronic Delivery terms set forth in the Client Agreement. Notes acceptance of commence. Any account(s) you open in the future that are linked to your existing account(s) will also be enrolled in eDelivery. additional online eDelivery Terms and Conditions is required.

Pease send all cDelivery notifications to the following email address:

- reserves the right to approve or deny the use of margin privileges at Its discretion. This does not constitute an application for credit.
- Our affiliate. Morgan Standey lawsament Management ("MSIM"), acros as the investment adviser to the listed money market murtal funds. Murgan Stanley receives revenueshability compensation from NGIM, band upon the amount of instead by the distribution of the more worker arment influence of the more accordance of the contract of the Morgan Stanley Chefe Carls is used by VIM Bends in, a presenter on increase from Morgan Stanley Chefe Carls is used by VIM Bends in, a presenter of the morganization of frompressed, Astordack and Morgan as registered trademorks of MasterCarl International Incorporated, Investments and services are offered drough Morgan Stanley and service marks contained herein are the property of their respective

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIETORSHIPS, CORPORATIONS AND UNINCORPORATIED ASSOCIATIONS AND UNINCORPORATIED ASSOCIATIONS AND UNINCORPORATION AMABUS TO GAZZULED.

NAO AAABUSD

PACE 3 0 F 9 NY CS 9175333 0418

AAABUSD

Sole Proprietorship Certification

The full name of the sole proprietorship is:

In consideration of Morgan Shanley opening and maintaining one or more accounts for the sole proprietorship named above, you, the

- 1. certify that you are the sole owner of the sole proprietorship named above.
- act on behalf of the sole proprierorship, or any and all claims, liabilities and expenses which may arise from continued reliance on this 2. agrec to indennify Morgan Stanley, its subsidiaries, affiliates, successors, assigns and employees and hold each of them harmless from ents, withdrawals, distributions, contributions and transfers) from you or 211y other person or entity authorized to any and all claims, liabilities and expenses which may arise from accepting instructions (including, but not limited to, instructions Certification. The provisions of this paragraph shall survive the remination of the account(s).
- 3. agree to notify Morgan Stanley in writing of any change to your authority or the authority of any other person or entity authorized to act on behalf of the sole proprietorship, or any other event which could materially alser the representations made in this Certification. Morgan Stanley may tely on the continued validity of this Certification indefinitely, absent actual receipt of such written norice.
- proprietorship. Morgan Stanley may raly on the continued validity of this Cartification indefinitely, absent actual receipt of such written motice. agree to notify Morgan Scanley, in advance and in writing, if any other person or entity is given authority to act on behalf of the sole
 - 5. agree that Morgan Stanley may apply this Certification to any accounts in the name of the sole proprietorship named above. You further agree that all of these terms, conditions, authorizations and representations shall apply to such additional accounts.

General Partnership Certification

The full name of the general partnership is:

above of which the undersigned are all the general parmers ("the Parmership"), the general partners jointly and severally certify that, each In consideration of Morgan Stanley opening and maintaining an account in the name of the duly organized general parmership named general partner has the authority on behalf of the Partnership:

- to buy, sell (including short sales) and otherwise deal in, through Morgan Stanley, stocks, bonds, equity options, debt options. commodities and commodity options, precious metals, mutual funds and other securities, on margin or otherwise;
- 2. to receive demands, notices, confirmations, reports, account statements, purchase and sale notices, and other communications;
 - 3. to deposit and withdraw money, securities and property of every kind to and from the account(s);
- 4. to borrow money from Morgan Stanley and its Affiliates and to secure payment thereof with property of the Parenership:
- 5. to make agreements relating to any of the foregoing matrets, or the account(s) generally, and to terminate, modify or waive any of the provisions of same; and
 - 6. to deal with Morgan Stanley as fully and completely as if the account(s) were in the general partner's name alone.

The authority hereby conferred shall remain in force until written notice of its revocation is delivered to Morgan Stanley at the office servicing the account(s).

The general partners agree to jointly and severally indernally Morgan Stanley, its aubsidiartes, arfiliates, successors, assigns and employees and to hold each of them harmless from any and all claims, liabilities and expenses which may arise from any action, instruction or omission attributable to any general parments) or any claims, liabilities and expenses which may arise from continued relance on this Certification. The provisions of this paragraph shall survive the remination of either the Partnership or the account(s).

Certification. Morgan Stanley may rely on the continued validity of this Certification indefinitely, absent actual receipt of such written notice. If Morgan Stanley receives conflicting instructions from two or more general partners, or reasonably helieves instructions from one general ner might conflict with the intentions or interests of another general partner, Morgan Stanky, may do any of the following; (a) choose which instructions to follow and which to disregard; (b) suspend all artivity in the account until written instructions signed by all general partners are received; (c) close the account and send all funds, monies or other Perpetty, net of debits or liabilities, to the address of any general partner, the addition of a new general partner, or any other event which could marerially after the representations made in this The general partness agree to immediately notify Morgan Stanley, in writing, of the death, retitement, withdrawal, or incor ecords and/or (d) take other action which Morgan Stanley deems appropriate. ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LABILITY ENTITIES, SOLE PROPRIETORSHIPS, CORPORATIONS AND LIMINGORPORATED ASSOCIATIONS ACCOUNTS ACCOUNTS.

ACABLES CHAZIOLE

PAGE 4 DF 9 NY CS 9175339 D4/18 NAO

The general pareners agree that Morgan Stanley retains the right to require joint action of all general partners and/or authorized pecsons with respect to any activity relating to the Partnership account(s) whertever such joint action is doemed necessary in Morgan Stanley's discretion.

named above. The general pateners further agree that all of these terms, conditions, authorizations and representations shall apply to such The general partners agree that Morgan Stanley may apply this Certification to any accounts in the name of the general partnership

Limited Liability Entity Certification

The full legal name of the limited liability entity ("LLE") is:

which all the undersigned are managing membet(s) of general partner(s), the managing member(s)/general partner(s) jointly and severally In consideration of Morgan Stanley opening and maintaining an account in the name of the above referenced duly organized LLE of certify that, each managing member/general partner designated herein has the authority on behalf of the LLE:

- to buy, sell (including shore seles) and otherwise deal in, through Morgan Stanley, stocks, bonds, equity options, debt options. commodities and commodity options, precious metals, mutual funds and any other securities, on margin or otherwise;

 - to receive demands, notices, confirmations, reports, account statements, purchase and sale notices, and other communications:
 - to borrow money from Morgan Stanley and/or its Affiliates and to secure payment thereof with property of the LLE; to deposit and withdraw money, securities and property of every kind to and from the account(s);
- to make agreements relating to any of the foregoing matters, or the account(s) generally, and to terminate, modify or waive any of the provisions of same; and
- to deal with Morgan Stanley as fully and completely as if the account(s) were in the managing member's/general partner's name alone. The authority hereby confected shall remain in force until written notice of its rewestion is delivered to Morgan Stanley at the office

subsidiaries, affiliares, successors, assigns and employees and hold each of them harmless from any and all claims, liabilities, and expenses which The managing member(s)/general parener(s) on behalf of the LLE and individually agree to jointly and soverally indemnify Morgan Stanley, its may arise from any action, instruction of omission attributable to any managing member(s)/general partner(s) or any and all claims, liabilities expenses which may arise from continued reliance on this Certification. The provisions of this paragraph shall survive the termination of either the LLE or the ac

partner, or any other event which could materially alter the representations made in this Certification. Morgan Stanley may rely on the vetirement, withdrawnl or incompetency of any managing memberdgeneral partner, the addition of a new managing memberdgeneral The managing member(s)/general partner(s) and/or the LLR agree to immediately notify Morgan Stanley, in writing, of the death continued validity of this Certification indefinitely, absent actual receipt of such written notice.

instructions from one managing memberifenoral parmer night conflict with the intentions or inceress of another managing member/general parmer, Morgan Stauley may do any of the following: (a) choose which instructions to follow and which to disregard; (b) suspend all activity n the account until written instructions signed by all managing member(s)/general parener(s) are received; (c) close the account and send all funds, momies or other Property, net of debits or liabilities, to the address of record; and/or (d) take any other action which Morgan Stanley If Morgan Stankey receives conflicting instructions from two or more managing member(s)/general partner(s), or reasonably believes

member(s)/general partner(s) with respect to any activity relating to the account(s) whenever such joint action is deemed necessary in The managing member(s)/general parmer(s) agree that Morgan Stanley retains the right to require joint action of all managing Morgan Stanley's discretion.

the LLE listed above. The managing membet (s)/general partments) further agree that all of these terms, conditions, authorizations and The managing member(s)/general partner(s) agree that Morgan Stanley may apply this Certification to any accounts in the name of representations shall apply to such additional accounts, ACCOUNT APPLOATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTRIES, SOLE PROPRIETDRISHIPS, CORFORATIONS AND UNINCORPORATIED ASSOCIATIONS ACCOUNTS ONLY ARRENDED ASSOCIATIONS ACCOUNTS.

PAGE 5 0F 9 NY CS 9175333 04/18 NAO

AAABUSD

Agreements and Signatures

By either signing below or attesting through forms of electronic attestation acceptable to Morgan Stanley, you acknowledge receipt of and agree to the terms of the Client Agreement and this application as well as other relevant disclosures contained in your account opening materials, which by this reference are incorporated herein. You further agree than

- You understand and agree that incurring a margin debit balance may result in your securities being foaned to us or to others. You further understand and agree that if you have selected check writing and/or debit eard privileges, but have opted out of margin, a debit balance may nevertheless be established in your account(s) to cover cheek and/or debit card transactions (including, but not limited to, nation bookler included with your account opening materials, which describe the tisks associated with margin borrowing. The 1. unless you have opted out of margin privileges, margin loans may be extended to you from time to time for purposes of purchasing securities or otherwise. Please see the section entitled Margin as well as the Margin Disclosure Statement in the Important Account Margin Disclosure Surement is also available at: http://www.morgansranley.com/wealth-disclosures/pdf/Margin_Disclosure_States funds transfers and debit card purchases) when there are insufficient Available Funds in your account(s).
- 2. If you have requested any Cash Management Servicts, you also agget to the terms of the relevant disclosures contained in your account check writing privileges, online bill payment services, electionic funds transfer expabilities and to issue debit cards as instructed by you. opening marerials, this application and any other agreements thar govern those services and authorize Morgan Stanley to establish
 - 3. your account(s) is also governed by the terms and conditions applicable to any ancillary services you have elected to receive and/or any other agreements you may have with Mongan Stanley or other provides of services related to your account(s). You agree that if you decline to participate in any services offered by Mongan Stanley at this time, but elect to do so in the finure, you will be bound by, the applicable teems in the Client Agreement, other relevant disclosures contained in your account opening materials, this application and any other agreements relating to such service(s) upon making such election(s).
 - you provide relating to any such additional accounts, the terms of the Client Agreement, other relevant disclosures contained in your among other things, establish additional Active Assets Accounts for you. You understand and agree that, subject to any information 4. Morgan Stanley may use this application and any certifications in connection herewith, including certain authorization forms, to, account opening materials, this application, any certifications in connection herewith and any other agreements relating to such services at that time, shall apply to any such additional accounts.
- holder of a power of attorney or as otherwise permitted by the Rules of FINRA. You may add, remove and/or change any or all of your Contact Authorization does not constitute a trading authorization or power of arrorney and dees not authorize your Trusted Contact(s) will rely on your agreement to promptly notify us of any changes to your Trusted Contact(s). You further acknowledge that the Trusted provided will be confirmed to you in writing. You understand and agree that your Trusted Contact(s) must be 18 years of age or older. 5. If you have provided one or more Trusted Contact(s) in the Trusted Contact Authorization section of this application, the information your Trusted Contact(s) and disclose information about you and/or your account(s) in order to address possible financial exploitation. constru the specifies of your current contact information, health sratus, and/or the identity of any legal guardian, executor, trustee or You further understand and agree that we may, but are not obligated, unless required by applicable law, regulation or rule, to connect Irasted Contracts at any time by contacting the Morgan Stanley team servicing your account(s). You acknowledge and agree that we to make any decisions on your behalf regarding your account(s), including, but nor limited to, making changes to your beneficiary
- 6. you represent that you are fully capable of understanding the English language. You agree that English is the governing language for all of your accounts as well as all agreements, documents and services provided by Morgan Stanley. You understand that we will rely material is provided to you by Morgan Stanley in a language other than English, you agree that such material is meant as a courtesy on this as a material representation in agreeing to open and maintain your accounts). If necessary, you agree to consult your nwn independent professional to assist you in understanding any material provided to you. If any document, com translation only and is not binding.

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIETORSHIPS, CORPORATIONS AND UNINCORPORATED ASSOCIATIONS ACCOUNTS AMOUNT OF THE PROPRIET ASSOCIATIONS AND UNINCORPORATED ASSOCIATIONS (DA/2018).

NAO

AAABUSD

PAGE 6 OF 9 NY CS 9175333 04/18

8/62

9/62

7. If you, or any other account owner, or authorized person on your account(s) is, or has been, a "Politically Exposed Person" ("PEP")," or transactions (1) with, involving or for the benefit of, any Sanctioned Petson (excluding legally permissible transactions in debt or equity is a corporation, business or entity that is dosely aligned with a PEP auch that it is subject to due diligence as a PEP ("PEP Entity"),^a you confirm that you have disclosed this fact to Morgan Stanley and have provided the necessary information required by law to issued by an entity designated on OFAC's Sectoral Sanctions Identifications List), or (ii) in any other manner that would cause either open and/or to service your account(s). You also agree that you will not use your account(s), or permit them to be used, for any you or Morgan Stanley to violate any Sanctions,"

idditional certifications for clients who are not U.S. Persons¹⁰

- By cither signing below or attesting through forms of electronic attestation acceptable to Morgan Stanley, you ecrtify that:
- Morgan Stanley by you or any individual related to your account(s) are current, true and accurate. You agree to notify Morgan Stanley you are not a U.S. Person. You affirm, as applicable, that any photocopies of a passport or national identity card provided to immediately in the event you become a U.S. Person.
- in Regulation 5 of the Securities Act of 1933, and that you were not in the United States at the time you signed this application, and Mutual Fund ("SICAV Monty Market Mutual Fund") will be your default sweep investment if you are not a U.S. Person as defined you were not solicited to select the SICAV Money Market Mutual Pund while you were in the United States. You further agree that 5. If you are incligable to participate in the Bank Deposit Pragram, the SICAV U.S. Dollar Liquidity Pund Offshore Moncy Market Morgan Stanley is authorized to sweep any free credit balances in your account(s) into the SICAV Money Market Mutual Fund.
 - you have specifically requested investment services from Morgan Stanley of your own volition and you have requested that Morgan Stanley provide advice to you on a continuing basis.
- d. you will use your account(s) solely for lawful purposes and will comply with all applicable laws, regulations and rules regarding taxation, exchange and capital controls, and reporting and filing requirements.

THIS SECTION INTENTIONALLY LEFT BLANK

A Politically Izgoned Parson or PEP is a current or known possition in public figure, an immediate family member of a possitioner trailite figure, or a lurrow close associate to a possition republic page 15 and or a possition republic page 15 and or a possition for a sealor or fixed in the executive, legislative, multipay administrative, or judical before a general men, particular formity administrative, or judical before or general members for the pressidence, particular general pages of pages and pa

A PEP Entity is ony corporation, butteess or where energy that (1) has a prominent public figure that is a beenedical imment or (2) has a been controller who is a prominent public figure exerties actual or effective energing over the custry).

"Scarcings" means excoming or financial sunctions measures or rule embargors imposed, administened or extracted from time to sinne by any of the following sunctions and register of the Control of the Cincer of Sendal Aces Control (1904) of the Lift Department of the Performance Intelling without limitation the Cincer of Sendal Aces Control (1904) of the Lift Department of Sendal Aces Control (1904) of the Lift Control of the Sendal Sendal Aces Control (1904) of the Lift Control of the Sendal Sendal Aces Control (1904) of the Lift Control of the Sendal Sendal Aces Control (1904) of the Lift Control of the Control of the Sendal Sendal Aces Control of Head Sendal Senda

ACCOUNT APPLICATION AND CLENT AGREEMENT FOR PARTNERSHIPS, LIMITED LABILITY ENTITIES, SOLE PROPRIET/GSHIPS, CORPORATIONS AND UNINCORPORATED ASSOCIATIONS AGABLES (O GAZOLIN)

AAABUSD

NAO

PAGE 7 0F 9 NY CS 9175333 D&/18

Client Acknowledgement

If you are not a U.S. persons for U.S. federal rax purposes, your signature below does not constitute a certification to the Substitute Form W-9. Non-U.S. persons must file the appropriate Form W-8 which will be provided to you separately. Morgan Stanley may be required by law to withhold a percentuge of dividends, interest and gross proceeds of sales of securities for any account for which a Form W-9 or appropriate W-8 is not on file with Morgan Szanley.

Tax Certification and Signatures

Substitute Form W-9: Request for Taxpayer Identification Number and Certification

Under penalties of perjury, you certify that:

- 1. The number provided herein is your correct Taxpayer Identification Number (or you are waiting for a number to be issued to you); and 2. You are not subject to backup withholding because:

 - a. You are exempt from backup withholding, or b. You have not been notified by the Internal Revenue Service (IRS) that you are subject to backup withholding as a result of a failure to report all interest and dividends.
 - c. The IRS has notified you that you are no longer subject to backup withholding; and 3. You are a U.S. person (including a U.S. resident alien)

CERTIFICATION INSTRUCTIONS: YOU MUST CROSS OUT 1TEM NUMBER 2 ABOVE IF YOU HAVE BEEN NOTHERD BY THE IRS THAT YOU ARE CURRENTLY SUBJECT TO BACKUP WITHHOLDING BECAUSE YOU HAVE FAILED TO REPORT ALL INTEREST AND DIVIDENDS ON YOUR TAX RETURN.

Federal Tax Classification (check one): Legal Address of the Entity: Legal Address of the Enti
--

Ŧ

DATE (MANDDAYYYY)	DATE (MAN/DD/YYYY)	DATE (MM/DD/MYY9)	DATE (MIN/DDAYYYY)	DATE CARACODIVYYYY	
SSN	MSS	SSM	SSN	NSS	
SIGNATURE	BIGNATURE	SIGNATURE	SIGNATURE	SIGNATURE	
AUTHORIZED INDIVIDUAL (PRINT NAME)	AUTHORIZED INDWIDUAL (PRINT NAME)	ALTHORIZED INDIVIDUAL (PRINT NAME)	AUTHORIZED INDIVIDUAL (PRINT NAME)	AUTHORIZED INDIVIDUAL (PRINT NAME)	

ACCOUNT APPLICATION AND CLENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIETIONSHIPS, CORPORATIONS AND UNINCORPORATIED ASSOLED MAZDISD (MAZDIS).

AAABUSD

₩ Ro

PAGE 8 OF 9 NY CS 9175333 04/18

Exempt Payee Codes and Exemption from FATCA Reporting Codes

Exempt payee code. Generally, individuals fincluding sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividende. Corporations are not exempt from backup withholding for payments made in sertlement of payment card or third party network transactions.

Note: If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding. The following codes identify payees that are exempt from hadeup withholding:

- 1-An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 401(b)/7) if the account satisfies the requirements of section 401(b)/2)

 - 2—The United States or any of its agencies or instrumentalities
 3—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
 - 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
 - 5-A corporation
- 6-A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of
 - 7 A furures commission merchant registered with the Commodity Furures Trading Commission the United States
- 8-A real state investment trust 9-An entity registered at all times during the tax year under the Investment Company Act of 1940 19-A common trust fund operated by a bank under section 584(a)

11 — A financial institution

- 12—A middlenan known in the investment community as a nomince or custodian 13 —A trust exempt from tax under section 664 or described in section 4947

Exemption from FATCA reporting code. The following codes identify payers that are excinpt from reporting under FATCA. These codes apply to pensons submitting this form for accounts maintained ourside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requising this form if you are uncertain if the financial institution is subject to these requirements.

- A-An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)
 - B The United States or any of its agencies or instrumentalities
- C—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
 - D-A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg.
- section 1.1472-1(c)(1)(i)
 - - G-A real estate investment trust
- H—A regulated investment company as defined in section 851 or an entity registered at all times during the rax year under the
- E—A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1(c)(1)(6)
 F—A dealer in scentifies, commodities, or derivative financial lustruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United States or any state
- Investment Company Act of 1940
 - I-A common trust fund as defined in section 584(a)

- -A bank as defined in section 581
- L-A trust exempt from tax under section 664 or described in section 4947(a)(1)
- M—A tax exempt trust under a section 403(b) plan or section 457(g) plan

© 2018 Morgan Stanley Smith Barney LLC. Member SIPC.

Morgan Stanley

NAD

AAABUSD

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNETSHIPS, LIMITED LIMBILITY ENTITIES, SOLE PROPRETIOSHIPS, CORPORATIONS AND UNINCORPORATIED ASSOCIATIONS ACCOUNTS.

PAGE 9 OF 9 NY CS 9175333 04/18



Action

Item

Approval of Resolution for Morgan Stanley Account

Re: Transfer of Pomona General Funds

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Executive Management Jeff McBride, CEO Joyce Kirchhofer, CFO

RECOMMENDATION:

The Board of Directors approves the resolution required by Morgan Stanley to open an account for the transfer of general funds in the 22600 Sunset Crossing account from Pomona Valley YMCA.

REASON FOR ACTION:

YMCA of Orange County through asset transfer agreement is acquiring all assets of Pomona Valley YMCA. Pomona Valley YMCA has a Morgan Stanley account specifically for 22600 Sunset Crossing general funds. To transfer the final assets the YMCA of Orange County needs to open an account with Morgan Stanley to transfer said funds.

FINANCIAL IMPACT AND FUNDING SOURCE:

Funds being transferred \$108,058 as of statement of April 30, 2018



For Sunset Crossing General Funds

For Internal I	Use Only				
Branch No.	Account No.	Financial Advisor No.			

Morgan Stanley

Authorized Persons and Enabling Resolutions for Corporations

In consideration of Morgan Stanley Smith Barney LLC ("MSSB") opening and/or maintaining one or more accounts for the corporation named below, I, the undersigned duly authorized officer, hereby certifies and agrees as follows:

1. General Information			
The full legal name of the corporation (the "Corporation of Christian NAME OF CORPORATION OF Orange 2. Authorized Persons	ion") to which this document appl Association County	ies is: Dration or non-U.S. Jurisdic	CTION
MSSB is hereby authorized to accept investment instructional individuals listed below ("Authorized Persons"). These persons or securities) and transfers by check or otherwise to any	rivileges include, but are not limite	d to, the authority to ma	ke distributions (e.g., of cash
If MSSB receives conflicting instructions from differer might conflict with the wishes of another Authorized I and which to disregard; (b) suspend all activity in the (c) close the account and deliver all securities and other action deemed necessary to protect the interests of MS	Person, MSSB may do any of the fo account until written instructions a ar property, net of debits or liabiliti	ollowing: (a) choose whi signed by all Authorized	ich instructions to follow Persons are received;
CORPORATION AT THE END OF THIS DOCUMENT COMPLETE CORPORATION AT THE END OF THIS DOCUMENT.		ALSO SIGNING ON E	BEHALF OF THE
SIDNATURE	SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE
Joyce Kirchhofer	PRIMARY RESIDENCE: ADDRESS		
SEAUTURE	SOCIAL SECURITY NUMBER	DATE OF BIRTH	TIME

PRIMARY RESIDENCE ACCRACIS

PRIMARY RESIDENCE: ADDRESS

SOCIAL SECURITY NUMBER

SOCIAL SECURITY NUMBER



NAME

DOM:

SIGNATURE

SIGNATURE

AUTHORIZED PERSONS AND ENABLING RESOLUTIONS FOR CORPORATIONS (12/2014) NNAAAER

1111

DATE OF BIRTH

DATE OF BIRTH

For Internal Use Only
Branch No. Account No. Financial Advisor No.

3. Enabling Resolutions

The following is a full, true and correct copy of Resolutions duly and regularly adopted by vote of the Board of Directors of the Corporation. Such Resolutions have not been rescinded or modified and are in full force and effect.

RESOLVED:

FIRST, that the Authorized Persons are, and each of them hereby is, authorized and empowered to the fullest extent possible, to act on behalf of the Corporation, to establish and maintain with MSSB one or more cash accounts, margin accounts, BusinesScape accounts, commodities accounts, or any other type of account offered by MSSB and its applicable affiliates ("Account"), for the purpose of purchasing, investing in, or otherwise acquiring, selling (including short selling), possessing, transferring, exchanging, borrowing, pledging or otherwise disposing of, and generally dealing in and with, cash and any and all forms of securities and financial instruments, including, but not limited to shares, stocks, bonds, debentures, notes, scrip, participation certificates, rights to subscribe, options, warrants, futures, commodities, commodity futures and/or options on futures, certificates of deposits, mortgages, evidence of indebtedness, commercial paper, and interests of any and every kind and nature whatsoever, secured and unsecured, whether represented by trust, participating and/or other certificates or otherwise.

SECOND, that, without obligation on MSSB's part to inquire, instructions or actions, by any Authorized Person shall individually have the fullest authority on behalf of the Corporation with respect to the Account including, but not limited to, authority to:

- 1) give written or oral instructions to MSSB with respect to any securities in, or transaction or service offered in connection with, the Account;
- 2) deposit or withdraw money, securities and other property of the Corporation to and from the Account;
- 3) borrow money from MSSB and secure payment thereof with the property of the Corporation;
- bind the Corporation to any contract, arrangement or transaction, which shall be entered into by any Authorized Person with or through MSSB;
- 5) make payments related to the Account by checks and/or drafts drawn upon the funds of the Corporation;
- 6) endorse any securities in order to pass ownership thereof or for any other purpose;
- 7) direct the sale or exercise of any rights with respect to securities therein;
- 8) sign releases and powers of attorney and enter into contracts and agreements, including but not limited to any MSSB account agreements and documentation relating to any debit or credit card, the checkwriting privilege, online services, electronic fund transfers and other services which are or may be offered in connection with the Account (where available), as such documents may be modified from time to time, and any documentation permitted or contemplated by such agreements, products and services, and to affix the corporate seal to same when necessary;
- 9) direct MSSB to surrender securities to the proper agent or party for the purpose of effecting any exchange or conversion, or otherwise; and 10) take any and all action action in connection with the Account deemed necessary or desirable by any Authorized Person.

THIRD, that any Authorized Person may appoint any person(s) ("Designated Persons") to: (1) conduct trading in the Account; (2) endorse any securities, or to make, execute and deliver, under the corporate seal of the Corporation or otherwise, any instrument of assignment and/or transfer necessary or proper to pass title to such securities; (3) sign checks (in which event, the signature of the Designated Person shall promptly be provided on any applicable signature card upon request by MSSB); (4) use any associated debit or credit card (where available); or (5) provide instructions to effect electronic fund transfers.

FOURTH, that each Authorized Person is empowered and authorized to do all things each deems necessary or desirable to implement the foregoing Resolutions.

FIFTH, that MSSB may deal with any and all of the persons directly or indirectly empowered by foregoing Resolutions as though they are dealing with the Corporation directly.

AUTHORIZED PERSONS AND ENABLING RESOLUTIONS FOR CORPORATIONS (12/2014) NNAAAER

For Internal Use Only

Branch No.

Account No.

Financial Advisor No.

SIXTH, that the Secretary of Corporation (or other duly designated officer) is hereby authorized and empowered to certify to MSSB, under the seal of the Corporation or otherwise:

- (a) a true, correct and complete copy of these Resolutions;
- (b) specimen signatures of each Authorized Person and each Designated Person empowered by these Resolutions, if so requested by MSSB;
- (c) a certificate (which, if required by MSSB, shall be supported by an opinion of the general counsel of the Corporation, or other counsel satisfactory to MSSB) that the Corporation is duly organized and in good standing, that the corporate charter authorizes the action or business described in these Resolutions, and that no limitation has been imposed upon such powers by constitution, statute, regulation, charter, by-law or otherwise.

SEVENTH, that MSSB may rely upon any certification given in accordance with these Resolutions as continuing fully effective unless and until MSSB shall receive due written notice of an amendment, modification or rescission of such Resolutions or certification. Further resolved that MSSB shall not be liable for any action taken or not taken upon instruction of any Authorized Person or Designated Person prior to MSSB's actual receipt of written notice of the termination or impairment of such person's authority. The failure to supply any specimen signature shall not invalidate any transaction which is in accordance with authority previously granted. Further resolved that the Corporation shall indemnify and hold harmless MSSB and any of its subsidiaries and affiliates from any and all claims that a transaction was unauthorized or outside the scope of the Corporation's powers, if such transaction was authorized by any of the Authorized Persons or Designated Persons.

EIGHTH, that in the event of any change in the office or powers of persons hereby empowered, the secretary (or other duly designated officer), shall certify such changes to MSSB, in writing, which certification, when MSSB receives it, shall terminate the powers of the persons previously authorized and empower the persons thereby substituted in accordance with all the provisions of these Corporate Resolutions.

NINTH, that the Corporation hereby authorizes MSSB to charge any amount due to MSSB under any arrangement with the Corporation, against any or all of the accounts and other property of the Corporation held with MSSB or any of its affiliates, with the Corporation remaining liable for any deficiency and each Authorized Person or Designated Person is authorized and directed to pay to MSSB by checks and/or drafts drawn upon the funds of the Corporation such sums as may be necessary to discharge the Corporation's obligations to MSSB.

TENTH, Corporation agrees that MSSB may apply these Resolutions to any accounts in the name of the Corporation.

The following three (3) resolutions are applicable only to Native American Tribes:

ELEVENTH, that Section 15 of the Client Agreement is modified to include the following language: The Tribe agrees:

- (a) that binding arbitration shall be the exclusive formal remedy for all disputes, controversies or claims between the Tribe and MSSB, including its agents, assigns or Affiliates (collectively, "MSSB"), as further described in Section 15 of the Client Agreement;
- (b) that such arbitration shall provide final and binding resolution of any dispute between the parties;
- (c) that the Tribe expressly and irrevocably waives its immunity from suit as well as its rights to seek or exhaust tribal remedies and that the waiver granted herein includes the arbitration of disputes as contemplated by Section 15 of the Client Agreement, as well as any actions in any court of competent jurisdiction to compel arbitration and to enforce an arbitration award;
- (d) that the waivers of sovereign immunity and of the right to demand exhaustion of tribal remedies shall survive the expiration, termination or cancellation of the Client Agreement; and
- (e) that, if enforcement of an arbitration award or a judicial order becomes necessary by reason of failure of one or both parties to voluntarily comply, the Tribe waives its sovereign immunity from any final judgment or order of a court of competent jurisdiction enforcing an arbitration award.

AUTHORIZED PERSONS AND ENABLING RESOLUTIONS FOR CORPORATIONS (12/2014) NNAAAER

For Internal Use	e Only
Branch No.	Account No.

TWELFTH, that the Tribe certifies that none of the monies, securities, funds or other property invested or to be invested by the Tribe in accordance with the Client Agreement and this resolution, or paid or to be paid to MSSB in accordance with the Client Agreement and this resolution, constitute (a) funds held by the United States in trust for the Tribe or for members of the Tribe, or (b) funds obtained by the Tribe from the United States of America or any State government or agency for the purpose of carrying out projects or programs specified by the United States of America or any State government or agency, other than funds received by the Tribe, pursuant to one or more guarantee contracts with the United States Department of Housing and Urban Development ("HUD"), for the purpose of funding affordable housing activities under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.).

THIRTEENTH, that the Tribe certifies, to the extent the Tribe is investing funds that are part of a tribal trust fund for minor members of the Tribe or subject to the requirements of a tribal trust fund or a HUD depository agreement, that investment instructions provided by the Tribe to MSSB with respect to such funds will comply with all legal requirements applicable to such funds.

4. Certification of the Duly Authorized Officer of the Corporation

I hereby certify that I am the Duly Authorized Officer of the Corporation named above, a corporation duly organized and existing under the laws of the State of Incorporation or other non-U.S. jurisdiction, that the Corporation is in good standing and qualified to do business in this state or other non-U.S. jurisdiction. I further certify that the Resolutions herein are a true, correct and complete copy of Resolutions duly adopted at a meeting of the Board of Directors of the Corporation held on the date specified below, at which meeting a quorum was present and voting; that such Resolutions are in accordance with the charter and by-laws of the Corporation, are in full force and effect and have not been amended, modified or rescinded.

IN WITNESS WHEREOF, I have hereunto affixed my hand (and the seal of the Corporation).

Financial Advisor No.

PRINT NAME OF DULY AUTHORIZED OFFICER		
SIGNATURE OF DULY AUTHORIZED OFFICER	DATE (MM/DD/YYYY)	DATE OF MEETING OF BOARD OF DIRECTORS
5. Authority of the Corporate Duly Authorized	Officer	
The Corporation certifies that the Corporate Duly elected to and now holds that office and that the significant control is the corporate Duly elected to and now holds that office and that the significant control is the corporate Duly elected to an electe		
PRINT NAME OF CERTIFYING PARTY	TITLE OF CERTIFYING P	ARTY
SIGNATURE OF CERTIFYING PARTY	DATE (MM/DD/YYYY)	

© 2014 Morgan Stanley Smith Barney LLC. Member SIPC.



AUTHORIZED PERSONS AND ENABLING RESOLUTIONS FOR CORPORATIONS (12/2014) NNAAAER

NNAAAER

NAO

PAGE 4 OF 4 NY CS 8060860 12/14



Action

Item

Approval of Opening Morgan Stanley Account

Re: Transfer of Pomona Campership Funds

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Executive Management Jeff McBride, CEO Joyce Kirchhofer, CFO

RECOMMENDATION:

The Board of Directors approves opening an account with Morgan Stanley for the transfer of campership funds from Pomona Valley YMCA.

REASON FOR ACTION:

YMCA of Orange County through asset transfer agreement is acquiring all assets of Pomona Valley YMCA. Pomona Valley YMCA has a Morgan Stanley account specifically for campership funds. To transfer the final assets the YMCA of Orange County needs to open an account with Morgan Stanley to transfer said funds.

FINANCIAL IMPACT AND FUNDING SOURCE:

Funds being transferred \$23,312 as of statement dated April 30, 2018



Partanster OF Pamone Campuship Fonds

Morgan Stanley

For Internal Use Only Branch No. Account No.

Prencial Advisor No.

Account Application and Client Agreement

For Partnerships, Limited Liability Entities, Sole Proprietorships, Corporations and Unincorporated Associations Accounts for U.S. Taxpayers

- To ensure prompt processing of your account(s):
- Depending on the entry type, enter the name of the entity in the appropriate section on page 4 or 5.
 Accounts for corporations require the separate Authorized Persons and Enabling Resolutions for Corporations document to be
- Accounts for unincorporated entities require the separate Authorized Persons and Enabling Resolutions for Municipalities and Certain Other Unincorporated Burities document to be signed and returned.
 - Select the appropriate Federal Tax (Classification and enter the legal address of the entity on page 8. Enter the name and provide or verify the Tax Identification Number of the entity on page 8.
- 4. If applicable, enter the exempt payce code and/or exempt FATCA reporting code on page 8 (see page 9 for exempt codes). 5. All authorized person(s) must sign and date where designated on page 8.
 - Please return pages 1-9, starting with this page. Please retain the attached Client Agreement for your records.

PLEASE NOTE: This application can be used to open a variery of entity accounts — your signature(s) only serves as an agreement to the certification that applies to the specific account type you are opening.

Important Information About This Application

To open and maintain your account(s), each client must acknowledge receipt of and agree to the terms and conditions of the Morgan Saharley Shrith Barney LLC (Worgan Saraley's). Client Agreement ("Client Agreement"); any ancillary services you have elected to receive, and any relevant disclosures that are contained in your account organing materials and in this application. Each client must also attest to the ax certification, and provide or verify their SNN or TIN. If you transmit an executed copy of the Client Agreement or other required documentation by fassimile, portable document format ("PIDP") or by any other electronic method approved by Morgan Stanley. you agree to be bound by such electronic versions.

Account Linking Service

To minimize the number of separate mailings you erecive, we offer an automatic Account Linking Service. Our Account Linking Service allows you to receive multiple account seatments and other important information together in a single envelope, in a consultated format, with a summary page showing the value of each linked account. Accounts with the same mailing address, beanch, Financial Advisor, and SSN(s) or TIN(s) ("Account Link Group") will be subject to Morgan Sanley's automatic Account Linking Service. There is no change for this service. After an account has been identified as eligible for automatic Account Linking, but before the account is added to an Account Link Group, you will see a massage on your account rathering with that the excount successful inked account statement explicitly or cycle. Upon receipt of your next account statement, all eligible linked account statements will be consolidated into a single curvely. If you do not so take advisances of the sustement actions you may opt-east of this service by contacting the Morgan Stanley team servicing your account(s).

met. You understand that if you link your account(s) with account(s) owned by others, your personal and financial information will be provided to such other account owner(s) by virtue of being included in an Account Link Group. With Account Linking, your consolidated natement can be accessed online through a single Morgan Stanley Online sign-on if you are an owner, or are authorized to You may request to add accounts to an Account Link Group that have different SSNs or TINs, provided all other eligibility rules are riew or transact on an account Morgan Sandey Smith Remoy J.J.C. is a regioned brother-duales now about. Where appropriate, we have enternal into arrangements with Excused bands and other third, purise to assist in reference persons are series. It is a forest partial enterly a Merican Carlo (Abded Carrange) and the Place I Program are insured by the FIJI. (In on applicable Enters, All mits investment produces are res (FIC) search, are not a deposit or other midgetion in depository inclinion, and are not guaranteed by a depository inclinion, and are not guaranteed by a depository inclinion. We have not guaranteed by a depository inclinion. We incline the search of the principal amount increasi.

The Olear Agreement was forth the terms and conditions spelicible to your account is rail, wighther with the Important Account Information booklet and say other account opens. Way furnishments and soften declarate, probable superator Information chain account exerteer and fee. Also included in your account opening mercrical is a Margin Dischouse Statement and coupy of our U.S. Strategy Pleagy. The accounting you are opening it is irrefunge account, which is not registated by the Eurorement Advisor Acr of 1940, as amounted. Activities we canada be a facility Strate.

ACCOUNT APPLICATION AND CLENT AGREGMENT FOR PARTNERSHIPS, LIMITED LABILITY ENTITIES, SOLE PROPRIETORSHIPS, CORPORATIONS AND UNINCORPORATED ASSOCIATIONS ACCOUNTS.

PAGE 1 OF 9 NY CS 9175333 04/18

JSA PATRIOT Act Notice

Important information about procedures for opening a new account or establishing a new relationship; To help the U.S. government fight the funding of certorism and money laundering activities, federal law requires all U.S. financial institutions to obtain, verify, and record information that identifies each individual or institution that opens an account or establishes a customer relationship

What this means for your When you open a new account or enter into a new customer relationship with Morgan Sanley, we will ask for your name, legal address, date of birth (as applicable), SSN/TIN (as applicable) and other identification information. This information will be used to verify your identity. As appropriate, we may, in our discretion, ask for additional documentation or information. If all required documentation for information is not provided, Morgan Stanley may not be able to open an account or maintain a relationship with you.

Frusted Contact Authorization (optional)

and/or the identity of any legal guardian, executor, trustee or holder of a power of attorney or as otherwise permitted by the Rules of the By completing this section, you designate the person(s) listed below as your trusted connact person(s) ("Trusted Connact"). Your-Trusted Connact(s) must be an individual 18 years of age or older. You understand that Mongan Stanley is authorized, in our discretion, unless accounts) in order to address possible financial exploitation, confirm the specifies of your current contact information, health status. required by applicable law, regulation or rule, to contact your Trusted Connact(s) and disclose information about you and/or your Financial Industry Regulatory Authority ("FINRA").

This Trusted Contact Authorization does not grant your Trusted Contact(s) trading authorization or any other authority to make decisions on your behalf. Morgan Stanley is authorized, but not obligated, unless required by law, regulation or rule, to contact the Trusted Contact(s) isted below. Where multiple Trusted Contacts are listed, we may contact one of more Trusted Contacts in any order we deem appropriate.

below
requested
information
r)
with
E I
provide
ట్ల

Trusted Contact Person RELATIONSHIPPINHECH ACCOUNT OTTY EMAIL ADDRESS CITY EMAIL ADDRESS EMAIL ADDRESS CITY CITY CITY EMAIL ADDRESS EMAIL ADDRESS OTTY CITY CITY CITY CITY CITY CITY CITY C	RELATIONSHIPMHICH ACCOUNT OWNER CITY STATE EMAIL ADDRESS CITY STATE EMAIL ADDRESS EMAIL A
	2IV 2IV

7 The Uniting and Strengthenlug America by Providing Appropriate Tools Respired to Inversor and Obstruct Terrorism Act of 2001, Pub. I. No. 107-56 (2001).

ACCOUNT APPLICATION NAID CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, ACCOUNTS SOLE PROPRIET DASHORYTONS ACCOUNTS ACABLES OF A PAGE SOLE PROPRIET ASSOCIATIONS ACCOUNTS.

NAO AAABUSD

Automatic Margin Privileges

Please note that your account(s) is automatically granted margin privileges' unless you check the "NO MARGIN" box below:

your cumulative margin availability (accounts must be in the same and held by you in the same caperity). For more information on margin privileges, please read the Margin Disclosure Seatement which is provided to you as part of your account opening materials and is also available online at littp://www.morganstanley.com/wealth-disclosures/pdf/Margin_Disclosure_Seatement.pdf. See the Margin Interest Morgan Stanley account with margin privileges, the value of all marginable securities in your accounts may be aggregated to determine Rate Schedule for margin interest rates available at http://www.morganstanlex.com/wealth-disclosures/pdfMargin_Interest_Rate.pdf. Margin privileges may not be available in certain jurisdictions and are not available for all account types. If you have more than one

Automatic Cash Sweep

BDP_disclosure.pdf. If you are incligible to participate in the Bank Deposit Program, any free credit balances in all of your accounts will (e.g., certain persons residing outside the U.S.). The Bank Deposit Program is described in your account opening marerials, as well as in the Bank Deposit Program Disclosure Statement that can be found at http://www.morganatanley.com/wealth-investmentstrategies/pdf The Bank Deposit Program will be your default sweep investment unless you are incligible to participate in the Bank Deposit Program automarically sweep into one of the following money marker mutual funds' based upon eligibility:

- Institutional Liquidity Funds Government Securities Portfolio (available only if you are a U.S. Person and are not eligible for the Bank Depasit Program, or if you exceed the Deposit Maximum as defined in the Bank Deposit Program Disclosure)
 - SICAV U.S. Dollat Liquidity Fund Offshore Money Market Mutual Fund (does not meet the requirements of 270.2a.7 of the U.S. Investment Company Act and is not available to U.S. Persons as defined in Regulation S of the Securities Act of 1933)
- · U.S. Gowernment Money Market Trust (available only for individual retirement accounts that are not eligible for the Bank Deposit Program)

Cash Management (Not all account types are eligible for all Cash Management services)

🗀 If eligible you will receive 50 complimentary walles-style checks unless you opt out of checkswriting privileges by checking this box. Debit Card⁶

If eligible, you will receive a free Morgan Stanley Debit Card which is accepted at MasterCard", Maestro" and STAR" network locations.

| If you check this box and your account type is eligible, you will receive a Debit Card.

Electronic Delivery (eDelivery)

Check this box if you would like to enroll in Blectronic Delivery of all eligible eDelivery Documents (as defined in the Client

lieu of receiving hard copies of such documents. These notifications will be sent to the email address that you provide below. Aryour first log-in to www.morgansualey.com/online there will be an email verification process that must be completed before electronic delivery can As a client enrolled in eDelivery, you will receive electronic notifications that certain documents are available for review electronically in Agreement) and agree to be bound by the Electronic Delivery terms set forth in the Client Agreement. Note acceptance of additional online eDelivery Terms and Conditions is required.

Please send all eDelivery notifications to the following email address:

commence. Any account(s) you open in the future that are linked to your existing account(s) will also be enrolled in eDelivery.

- Morgan Studies reserves the rights in approve or deavy the use of margin privileges at its discortion. This does not encurious an application interestly.

 Our milliars, deep sharpers and experience ("MAIN"), seven as the investment adotter on the litted immay market mountil interestly studies are resemined from the Morgan Margin Studies are the little of the margin of seven beld by other in their mounty minter amount interest mounting margin studies are the margin of the margin of the margin studies are the margin of the margin marks contained basein are the property of their respective owners.

ACCOUNT APPLICATION AND CLIENT AGREEMENT TOR PARTNERSHIPS, LIMITED LIMBILITY ENTITIES, SOLE PROPRIETIORSHIPS, CORPORATIONS AND LIMINOPPORTIED ASSOLDED BAABUSD CHAZDIDIS.

NAO AAABUSD

PAGE 3 DF 9 NY CS 9175333 D4/18

AAABUSD

Sole Proprietorship Certification

The full name of the sole proprietorship is:

ion of Morgan Stanley opening and maintaining one or more accounts for the sole proprietorship named above, you, the

- 1. certify that you are the sole owner of the sole proprietorship named above.
- act on behalf of the sole proprietorship, or any and all claims, liabilities and expenses which may arise from continued reliance on this 2. agree to indemnify Morgan Stanley, its subsidiaries, affiliates, successors, assigns and employees and hold each of them humless from ents, withdrawals, distributions, contributions and transfers) from you or any other person or entity authorized to any and all claims, liabilities and expenses which may arise from accepting instructions (including, but not limited to, instructions Certification, The provisions of this paragraph shall survive the termination of the account(s),
 - agree to notify Morgan Stanley in writing of any change to your authority or the authority of any other person or entity authorized to acr on behalf of the sole propriesorship, or any other event which could materially after the representations made in this Certification. Morgan Stanley may rely on the continued validity of this Certification indefinitely, absent actual receipt of such written notice.
- 4. agree to norify Morgan Szanley, in advance and in writing, if any other person or entity is given authority to act on behalf of the sole proprieturably. Morgan Szanley may rely on the continued validity of this Certification indefinitely, absent actual receipt of such written motice.
- 5. agree that Morgan Stanley may apply this Certification to any accounts in the name of the solu proprietorship named above. You further agree that all of these terms, conditions, authorizations and representations shall apply to such additional accounts.

General Partnership Certification

The full name of the general partnership is:

above of which the undersigned are all the general partners ("the Partnership"), the general partners jointly and severally certify than, each In consideration of Morgan Stanley opening and maintaining an account in the name of the duly organized general partnership named general partner has the authority on behalf of the Partnership:

- to buy, sell (including short sales) and otherwise deal in, through Morgan Stanley, stocks, bonds, equiry options, debr options. commodities and commodity options, precious metals, mutual funds and other securities, on margin or otherwise;
- 2. to receive demands, notices, confirmations, reports, account statements, purchase and sale notices, and other communications;

 - 4. to borrow money from Morgan Stanley and its Affiliates and to secure payment thereof with property of the Partnership: 3. to deposit and withdraw money, securities and property of every kind to and from the account(s);
- 5. to make agreements relating to any of the foregoing matters, or the account(s) generally, and to terminate, modify or waive any of the provisions of same; and
 - 6. to deal with Morgan Stanley as fully and completely as if the account(s) were in the general partner's name alone,

The authority hereby conferred shall remain in force until written notice of its revocation is delivered to Morgan Stanley at the office servicing the account(s).

The general partners agree to jointly and severally indemnify Morgan Stanley, its subsidiaries, affiliates, successors, assigns and employees omission attributable to any general parmee(s) or any claims, liabilities and expenses which may arise from continued reliance on this and to hold each of them harmless from any and all claims, liabilities and expenses which may arise from any action, instruction or Certification. The provisions of this paragraph shall survive the termination of either the Partnership or the accounts).

IF Morgan Stanley receives conflicting lastructions from two or more general partners, or reasonably believes instructions from one general Certification. Morgan Stanley may rely on the continued validity of this Certification indefinitely, absent actual receipt of such written notice partner might conflict with the intentions or interests of another general partner. Morgan Stanley may do any of the following: (a) choose which inserucations to follow and which to disregards (b) suspend all activity in the account until written instructions signed by all general partners are received; (c) close the account and send all funds, monies or other Property, net of debits or habilities, to the address of made in this The general partners agree to immediately notify Morgan Stanley, in witing, of the death, retirement, withdrawal, or incompetency of any general parener, the addition of a new general parener, or any other event which could materially after the representations record: and/or (d) take other action which Morgan Stanley deetns appropriate. ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIETORSHIPS, CORPORATIONS AND UNINCORPORATED ASSOCIATIONS ACADISING ACADISIS.

PAGE 4 OF 9 NY CS 9175933 04/18 NAO

The general partners agree that Morgan Stanley retains the right to require Joint action of all general partners and/or authorized persons with respect to any activity relating to the Partnership account(s) whenever such Joint action is deemed recessary in Morgan Stanley's discretion.

The general partners agree that Morgan Stanley may apply this Certification to any accounts in the name of the general partnership matned above. The general partners further agree that all of these terms, conditions, authorizations and representations shall apply to such delinional accounts.

imited Liability Entity Certification

The full legal name of the limited liability entity ("LLE") is: ...

In consideration of Morgan Stanley opening and maintaining an account in the name of the above referenced duly organized LLE of which all the undecigined are managing member(s) jointly and severally certify that, each managing member(general partner designated herein has the authority on behalf of the LLE:

- to buy, sell (including short sales) and otherwise deal in, through Morgan Stanley, strocks, bonds, equity options, debt options,
 - commodities and commodity options, prectious metals, mutual funds and any other securities, on margin or otherwise;
- to receive demands, notices, confirmations, reports, account statements, purchase and sale notices, and other communications;
 to deposit and withdraw money, securities and property of every kind to and from the account(s);
 - 4. to borrow moncy from Morgan Stanley and/or its Affiliares and to secure payment thereof with property of the LLE;
- to make agreements relating to any of the foregoing matters, or the account(s) generally, and to terminate, modify or waive any of the provisions of same and
- to deal with Morgan Stanley as fully and completely as if the accounts) were in the managing member's/general partner's name alone.
 The authority hereby conferred shall remain in force until written notice of its revocation is delivered to Morgan Stanley at the office servicing the Account.

The managing member(s)/general partner(s) on behalf of the LLF and individually agree to jointly and severally indemnify Morgan Stanley, its subsidiaries, auccessors, assigns and employees and hold each of them harmless from any and all claims, liabilities, and expenses which may arise from any action, instruction or emission arributable to any managing member(s)/general partner(s) or any and all claims, liabilities and expenses which may arise from continued reliance on this Certification. The provisions of this paragraph shall survive the termination of either the LLE or the account(s).

The managing member(8)/general partnec(s) and/or the LLE agree to immediately notify Morgan Stanley, in writing, of the death, retirement, withdrawal or incompetency of any managing member/general partnet, or any order event which could materially alter the representations made in this Certification. Morgan Stanley may rely on the continued validity of this Certification indefinitely, absent actual receipt of such written notice.

If Morgan Stanley receives conflicting instructions from two or more managing member(s)/general partner(s), or reasonably believes instructions from one managing member/general partner insign to make the intensity of months managing member/general partners, Morgan Stanley may do any of the following; (a) choose which instructions to follow and which to denegate, (b) suspend all activity in the account until written instructions signed by all managing member(s)/general partner(s) are received; (c) close the account and send all fonds, monits or other Property, ner of debits or liabilities, to the address of record and/or (d) take any other action which Morgan Stanley deems appropriate.

The managing member(s)/general partner(s) agree that Morgan Stanley trains the right to require joint action of all managing member(s)/general partner(s) with respect to any activity relating to the account(s) whenever such joint action is deemed necessary in Morgan Stanley's discretion.

Ilse managing member(s)/general patrucr(s) agree that Mongan Stanley may apply this Certification to any accounts in the name of the LLB lated above. The managing member(s)/general partner(s) further agree that all of these terms, conditions, authorizations and representations shall apply to such additional accounts.

ACCOUNT APPLICATION AND CLENT MAREEMENT FOR PARTNETSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIETORSHIPS, CORPORATIONS AND UNINCORPORATED SMOOGHINGS ACCOUNTS AND UNINCORPORATED AMABUSD (UAAZO18)

NAD

AAABUSD

PAGE 5 OF 9 NY CS 9175333 04/18

Agreements and Signatures

By either signing below or attesting through forms of electronic attentation acceptable to Morgan Statiley, you acknowledge receipt of and agree to the terms of the Client Agreement and this application as well as other relevant disclosures contained in your account opening materials, which by this reference are incorporated herein. You further agree that:

- 1. unless you have opted out of margin privileges, margin loans may be extended to you from time to time for purposes of purchasing securities or theirwise. Please are the securion entitled Margin as well as the Margin Disclosure Statement in the Important Account Information bookler included with your account opening materials, which describe the isles associated with margin borcowing. The Margin Disclosure Statement is also available at hurst //www.nongaurani-los.com/wealth-disclosures/pdf/Margin_Disclosure_Statement.pdf. You understand and agree that incurring a margin debit behance may result in your accountence, for further undestand and agree that if sour low extless of the writing and/or debit card brinks. It have peted on us or to others, you further undestand and agree that if you law extless withing and/or debit card transactions (including, but nor timited to, funds transfers and debit card purchases) when there are insufficient Available Funds in your account(s).
- if you have requested any Cash Management Services, you also agree to the terms of the relevant disclosures contained in your account
 opening materials, this application and any other agreements that govern those services and authorize Morgan Stanley to establish
 check writing privileges, online bill payment services, electronic funds transfer capabilities and to issue debit cards as instructed by you.
 - your account(s) is also governed by the terms and conditions applicable to any ancillary services you have elected to receive and/or any other agreements you may have with Morgan Stanley or other providers of services related to your account(s). You agree that if you decline to participate in any services offered by Morgan Stanley as this time, but elect to also so in the future, you will be bound by the applicable terms in the Client Agreement, other relevant fieldsautes contained in your account opening materials, this application and any other agreements relating to such service(s) upon making such electron(s).
 - 4. Morgan Scanley may use this application and any certifications in connection betweith, including certain authorization forms, to, among other things, establish additional Active Assets Accounts for you. You understand and agree that, asbject to any information you provide relating to any such additional accounts, the turns of the Client Agreement, other relevant dischourts contained in your account opening materials, this application, any excellectation in connection herewith and any other agreencess relating to such services at that time, shall apply any such additional accounts.
- 5. if you have provided one or more Trusted Connact(s) in the Trusted Connact Authorization section of this application, the information provided will be confirmed to you in writing. You understand and agree that your Trusted Contact(s) must be 18 years of age or older. You further understand and agree that we may but are not obligated, unless required by applicable have regulation or mit, to connact your Trusted Contact(s) and disclose information about you and/or your accounts(s) in order to address possible financial exploitation, comfirm the specifics of your current contact information about you and/or the identity of any legal grandian, execution, trustee or holder of a power of arrounce or an otherwise permitted by the Rulas of FIRRA. You many add, remove and/or change any or all of your Trusted Contacts at any time by combeting the Morgan Stanley team acroining, your account(s). You acknowledge and agree that we will tely on your agreement to promptly notify in of any ordings to your Trusted Contact(s). You further acknowledge that the Trusted Contact Authorization does not constitute a trading authorization or power of attorney and does not authorize your accounties, including, but not limited to, making changes to your beneficiary designations.
- 6. you represent that you are fully expable of understanding the English language. You agree that English is the governing language for all of your accounts as well as all agreements, documents and services provided by Morgan Stanley. You understand that we will rely on this as a material representation in agreeing to open and maintain your account(s). If necessary, you agree to consult your own independent professional to assist you in understanding any material provided to you. If any document, communication or other material is provided to you by Morgan Stanley in a language other than English, you agree that such material is meant as a courresy translation only and is not binding.

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIMBLITY ENTITIES, SOLE PROPRIETORSHIPS, GOR-PORATIONS AND UNINCORPORATED ISSOCIATIONS ACKNOWN (04/2018) (04/2018)

AAABUSD NAO

AAABUSD (O

NAO

PAGE 6 OF 9 NY CS 9175333 04/18

22/62

7. If you, or any other account owner, or authorized person on your account(s) is, or has been, a "Politically Exposed Person" ("PRP")," or open and/or to service your account(s). You also agree that you will not use your account(s), or permit them so be used, for any transactions (s) with, involving or for the benefit of, any Sanctioned Person (excluding legally permissible transactions in debt or equity is a corporation, business or entity that is dosely aligned with a PEP such that it is subject to due diligence as a PRP ("PEP Enrity"), you confirm that you have disclosed this fact to Morgan Stanley and have provided the necessary information required by law to issued by an entity designated on OFAC's Sectoral Sanctions Identifications List), or (ii) in any other manner that would exuse either you or Morgan Stanley to violate any Sanctions."

Additional certifications for clients who are not U.S. Persons 10

By either signing below or attesting through forms of electronic attestation acceptable to Morgan Stanley, you certify that:

- Morgan Stanley by you or any individual related to your account(s) are current, true and accurate. You agree to notify Morgan Stanley a. you are not a U.S. Person. You affirm, as applicable, that any photocopies of a passport or national identity card provided to immediately in the event you become a U.S. Person.
 - in Regulation S of the Securities Acr of 1933, and that you were not in the United Seates at the time you signed this application, and Mutual Pund ("SICAV Money Market Mutual Fund") will be your default sweep investment if you are not a U.S. Person as defined you were not solicited to select the SICAV Money Market Mutual Fund while you were in the United States. You further agree that b. If you are incligible to participate in the Bank Deposit Program, the SICAV U.S. Dollar Liquidity Fund Offshore Money Market Morgan Stanley is authorized to sweep any free credit balances in your account(s) into the SICAV Money Market Mutual Fund.
 - c. you have specifically requested investment services from Morgan Stanley of your own volition and you have requested that Morgan Stanley provide advice to you on a continuing basis.
- d. you will use your account(s) solely for lawful purposes and will comply with all applicable laws, regulations and rules regarding taxaríon, exchange and capital controls, and reporting and filing requirements.

THIS SECTION INTENTIONALLY LEFT BLANK

A Pullstully Liquosed Person or 1919 is a current or former prominent public figure, an immediate family remove of a prominent public figure or a shrown close anochre or a prominent public figure or a shrown close anochre or a prominent public figure or a strong profession of the contractive of th

"Sunction" master extension for financial smedimen or sentriche ameusures or reade embargoes impraed, administrand ny enforced from time to sinue by say of the jollowing successors are their sentrement including without limitation that offset of breaded America America (1974) or if the LL Department and the LU Embargers and the LU Embargers (1974) or if the LL Department and the LU Embargers and the LU Embargers (1974) or if the LL Department and the LU Embargers (1974) or if the LU Empartment and the LU Embargers (1974) or if the LU Empartment and the LU Embargers (1974) or if the LU Empartment of the LU Embargers (1974) or if the LU Embargers (1974) or if the LU Empartment of the Office of Prince of the LU Embargers (1974) or if the LU Empartment of the Office or in the LU Embargers (1974) or in the LU Empartment or the LU Embargers (1974) or in the LU Empartment or the LU Embargers (1974) or in the LU Empartment or the LU Embargers (1974) or in the LU Empartment or the LU Empart A PFP Famir is any corponiton, buttens are other entity that (1) has a promitten public figure that is a beneficial owner, or (2) has a key controller who is a prominent public figure task the promitent public figure enaction searches accust or effective council over the entity).

ACCOUNT APP. LOATION AND CLENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIETIONSHIPS, CORPORATIONS AND UNINODRIPORATED ASSOCIATIONS ACCOUNTS

AAABUSD

NAO NAO

PAGE 7 0F 9 NY CS 9175333 04/18

Client Acknowledgement

Form W.9. Non-U.S. persons must file the appropriate Form W.8 which will be provided to you separately. Morgan Stanley may be required by law to withhold a percentage of dividends, interest and gross proceeds of sales of securities for any account for which a Form W.9 or appropriate W.8 is not on file with Morgan Stanley. If you are not a U.S. person for U.S. federal tax purposes, your signature below does not constitute a certification to the Substitute

		r and Certification
		Number
9		ntification
		er Ide
		Taxpay
	tranes	at for
	Signa	: Requ
	n and	₩.9
	cario	Forta
	Sertific	itone
	Tax (Surbsı

Under penalties of perjury, you certify that:

- 1. The number provided herein is your correct Taxpayer Identification Number (or you are waiting for a number to be issued to ywu); and 2. You are not subject to backup withholding because

 - You are exempt from backup withholding, or
 You lave not been notified by the Internal Revenue Service (IRS) that you are subject to backup withholding as a result of a failure to report all inverest and dividends, or
- c. The IRS has notified you that you are no longer subject to backup withholding; and
 - 3. You are a U.S. person (including a U.S. resident alien).

CERTIFICATION INSTRUCTIONS: YOU MUST CROSS OUT ITEM NUMBER 2 ABOVE 11 YOU HAVE BEEN NOTTHED BY THE IRS THAT YOU ARE CURRENTLY SUBJECT TO BACKUP WITHHOLDING BECAUSE YOU HAVE FAILED TO REPORT ALL INTEREST AND DIVIDENDS ON YOUR TAX RETURN.

ENTITY TAX IDENTIFICATION ALMBER Legal Address of the Entitys			
Legal Address of the Entitys	Sole Prop	Sole Proprietor or single-member LLC	
	Partnersh	Partnership (includes Limited Partnership) Unincorporated Entiry or Other Organization	
LEGAL BUSINESS STREET ADDRESS (CANNOT BE PO BOX)	S Corpor	S Corporation C Corporation (includes incorporated non-profit) Limited Liability Entity (enter the tax classification below)	ss incorporated non-profit feation below
CITY, STATE AND ZIP OR POSTAL CODE (AND COUNTRY IF OUTSIDE THE US)	2	(C = C Corporation, S = S Corporation, P = Parrnership):	renership):
Exempt payee code (if any)	Exemption fr	Exemption from FATCA reporting code (if any)	
See page 9 for codes	See page 9 for codes	codes	
of the strached Client Agreement). You acknowledge that you have received a copy of the Client Agreement, including the prediptute arbitration clause.		or any provision or this Calent Agreement other than the certifications required to avoid backup withholding see facth above.	ement other than the cup withholding set
AUTHORIZED INDVIDUAL (PRINT NAME)	SIGNATURE	NSS	DATE (MM/DDAYYY)
AUTHORIZED INDIVIDUAL (PRINT NAME)	SIGNATURE	SSN	DATE (MIM/DDMYYYY)
AUTHORIZED INDIVIDUAL (PRINT NAME)	STGMATURE	MSS	DATE (RAM/DDMYYY)
AUTHORIZED INDIVIDUAL (PRINT NAKE)	SIGNATURE	SSN	DATE INAUDD/YYYY)
AUTHORIZED INDIVIDUAL (PRINT NAME)	SIGNATURE	MSS	DATE (MAW/DD/VYVY)

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNERSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIETORSHIPS, CORPORATIONS AND UNINCORPORATED ASSOCIATIONS AND UNINCORPORATED ASSOCIATIONS (04/20.18).

NAO

AAABUSD

PAGE 8 OF 9 NY CS 9175333 04/18

Exempt Payee Codes and Exemption from FATCA Reporting Codes

Exempt payee code. Generally, individuals (including soile proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as increast and dividends. Corporations are not exempt from backup exempt from fackup witninging arr teriant pay necessary and or third party network transactions, withholding for payments made in serelement of payment card or third party network the form to a weld possible that form to a weld possible that the payment of the form to a weld possible that the payment of the possible that the possible that the payment of the payment o

Note: If you are exempt from backup withholding, you should still complete this form to avoid possible erroneous backup withholding. The following codes identify payers that are esempt from backup withholding:

- 1—An organization exempt from tax under section 501(4), any IRA, or a custodial account under section 403(b)(7) if the account satisfies the requirements of section 401(f)(2)

 2—The United States or any of its agencies or instrumentalities
 - 3-A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
 - 4—A foreign government or any of its political subdivisions, agencies, or instrumentalities
 - 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of 5-A corporation
- 7-A furures commission merchant registered with the Commodity Furures Trading Commission

the United States

- 8—A real estate investment trust. 9—An entity registered at all times during the tax year under the Investment Company Act of 1940. 10—A common rrust fund operated by a bank under section 584(a).

 - 11-A financial institution
- 12—A middleman known in the investment community as a nominee or custodian 13—A trust exempt from tax under section 664 or described in section 4947

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements.

- A—An organization exempt from tax under section \$01(a) or any individual retirement plan as defined in section 7701(a)(37)
- D-A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg. 18—The United States or any of its agencies or instrumentalities
 C—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumental to the United States.
- E—A composation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-[c)(1)(i) F—A dealer in securities, commodities, or derivative financial instruments (including notional principal contracts, futures, forwards, and options) that is registered as such under the laws of the United Starts or any state section 1.1472-1(c)(1)(j)
 - - G-A real estate investment trust
- H-A regulared investment company as defined in section 851 or an entity registered at all times duting the rax year under the
- 1-A bank as defined in section 581

- Investment Company Act of 1940

 I—A common trust fund as defined in section 584(a)
- L-A trust exempt from tax under section 664 or described in section 4947(a)(1) M-A tax exempt trust under a section 403(b) plan or section 457(g) plan

© 2018 Morgan Stanley Smith Barney LLC. Member SIPC.

Morgan Stanley

AAABUSD

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR PARTNETSHIPS, LIMITED LIABILITY ENTITIES, SOLE PROPRIED ISSOLEMENS, CORPORATIONS AND UNINCORPORATIED ISSOLEMENS, CARZOLING CANDULAR CORPORATIONS AND UNINCORPORATIED ASSOCIATIONS CANDULAR CORPORATIONS AND CANDULAR CANDUL

PAGE 9 OF 9 NY CS 9175333 04/18



Action

Item

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Executive Management Jeff McBride, CEO Joyce Kirchhofer, CFO

RECOMMENDATION:

The Board of Directors approves the resolution required by Morgan Stanley to open an account for the transfer of campership funds from Pomona Valley YMCA.

REASON FOR ACTION:

YMCA of Orange County through asset transfer agreement is acquiring all assets of Pomona Valley YMCA. Pomona Valley YMCA has a Morgan Stanley account specifically for campership funds. To transfer the final assets the YMCA of Orange County needs to open an account with Morgan Stanley to transfer said funds.

FINANCIAL IMPACT AND FUNDING SOURCE:

Funds being transferred \$23,312 as of statement dated April 30, 2018



For Internal Use	e Only	
Branch No.	Account No.	Financial Advisor No.

Morgan Stanley

Authorized Persons and Enabling Resolutions for Corporations

In consideration of Morgan Stanley Smith Barney LLC ("MSSB") opening and/or maintaining one or more accounts for the corporation named below, I, the undersigned duly authorized officer, hereby certifies and agrees as follows:

1.	Genera	l Inform	nation								
-	C 11.1	1	C 1	. 1	" ~	22.	٠.		1.		

Young Men's Christian Association

Association

STATE OF INCORPORATION OR NON-U.S. JURISDICTION

2. Authorized Persons

MSSB is hereby authorized to accept investment instructions and other instructions from the officers of the Corporation and/or other individuals listed below ("Authorized Persons"). These privileges include, but are not limited to, the authority to make distributions (e.g., of cash or securities) and transfers by check or otherwise to anyone, including the undersigned officers and/or other individuals.

If MSSB receives conflicting instructions from different Authorized Persons, or reasonably believes instructions from one Authorized Person might conflict with the wishes of another Authorized Person, MSSB may do any of the following: (a) choose which instructions to follow and which to disregard; (b) suspend all activity in the account until written instructions signed by all Authorized Persons are received; (c) close the account and deliver all securities and other property, net of debits or liabilities, to the address of record; and/or (d) take other action deemed necessary to protect the interests of MSSB.

(ALL AUTHORIZED PERSONS MUST COMPLETE THIS SECTION, EVEN IF ALSO SIGNING ON BEHALF OF THE CORPORATION AT THE END OF THIS DOCUMENT.)

NAME TO LIGHT	PRIMARY RESIDENCE: ADDRESS		
SIGNATURE	SOCIAL SECURITY NUMBER	DATE OF BIRTH	me.
Joyce Kirchhofer	PRIMARY RESIDENCE ADDRESS SOCIAL SECURITY NUMBER	DATE OF BIRTH	fare
SENETURE	PRIMARY RESIDENCE: ADDRESS SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE
NAME	PRIMARY RESIDENCE: ADDRESS		
SIGNATURE.	SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE



For Internal Use Only

Branch No.

Account No.

Financial Advisor No.

3. Enabling Resolutions

The following is a full, true and correct copy of Resolutions duly and regularly adopted by vote of the Board of Directors of the Corporation. Such Resolutions have not been rescinded or modified and are in full force and effect.

RESOLVED:

FIRST, that the Authorized Persons are, and each of them hereby is, authorized and empowered to the fullest extent possible, to act on behalf of the Corporation, to establish and maintain with MSSB one or more cash accounts, margin accounts, BusinesScape accounts, commodities accounts, or any other type of account offered by MSSB and its applicable affiliates ("Account"), for the purpose of purchasing, investing in, or otherwise acquiring, selling (including short selling), possessing, transferring, exchanging, borrowing, pledging or otherwise disposing of, and generally dealing in and with, cash and any and all forms of securities and financial instruments, including, but not limited to shares, stocks, bonds, debentures, notes, scrip, participation certificates, rights to subscribe, options, warrants, futures, commodities, commodity futures and/or options on futures, certificates of deposits, mortgages, evidence of indebtedness, commercial paper, and interests of any and every kind and nature whatsoever, secured and unsecured, whether represented by trust, participating and/or other certificates or otherwise.

SECOND, that, without obligation on MSSB's part to inquire, instructions or actions, by any Authorized Person shall individually have the fullest authority on behalf of the Corporation with respect to the Account including, but not limited to, authority to:

- 1) give written or oral instructions to MSSB with respect to any securities in, or transaction or service offered in connection with, the Account;
- 2) deposit or withdraw money, securities and other property of the Corporation to and from the Account;
- 3) borrow money from MSSB and secure payment thereof with the property of the Corporation;
- bind the Corporation to any contract, arrangement or transaction, which shall be entered into by any Authorized Person with or through MSSB;
- 5) make payments related to the Account by checks and/or drafts drawn upon the funds of the Corporation;
- 6) endorse any securities in order to pass ownership thereof or for any other purpose;
- 7) direct the sale or exercise of any rights with respect to securities therein;
- 8) sign releases and powers of attorney and enter into contracts and agreements, including but not limited to any MSSB account agreements and documentation relating to any debit or credit card, the checkwriting privilege, online services, electronic fund transfers and other services which are or may be offered in connection with the Account (where available), as such documents may be modified from time to time, and any documentation permitted or contemplated by such agreements, products and services, and to affix the corporate seal to same when necessary;
- 9) direct MSSB to surrender securities to the proper agent or party for the purpose of effecting any exchange or conversion, or otherwise; and 10) take any and all action action in connection with the Account deemed necessary or desirable by any Authorized Person.

THIRD, that any Authorized Person may appoint any person(s) ("Designated Persons") to: (1) conduct trading in the Account; (2) endorse any securities, or to make, execute and deliver, under the corporate seal of the Corporation or otherwise, any instrument of assignment and/or transfer necessary or proper to pass title to such securities; (3) sign checks (in which event, the signature of the Designated Person shall promptly be provided on any applicable signature card upon request by MSSB); (4) use any associated debit or credit card (where available); or (5) provide instructions to effect electronic fund transfers.

FOURTH, that each Authorized Person is empowered and authorized to do all things each deems necessary or desirable to implement the foregoing Resolutions.

FIFTH, that MSSB may deal with any and all of the persons directly or indirectly empowered by foregoing Resolutions as though they are dealing with the Corporation directly.

For Internal Use Only Branch No. Account No. Financial Advisor No.

SIXTH, that the Secretary of Corporation (or other duly designated officer) is hereby authorized and empowered to certify to MSSB, under the seal of the Corporation or otherwise:

- (a) a true, correct and complete copy of these Resolutions;
- (b) specimen signatures of each Authorized Person and each Designated Person empowered by these Resolutions, if so requested by MSSB;
- (c) a certificate (which, if required by MSSB, shall be supported by an opinion of the general counsel of the Corporation, or other counsel satisfactory to MSSB) that the Corporation is duly organized and in good standing, that the corporate charter authorizes the action or business described in these Resolutions, and that no limitation has been imposed upon such powers by constitution, statute, regulation, charter, by-law or otherwise.

SEVENTH, that MSSB may rely upon any certification given in accordance with these Resolutions as continuing fully effective unless and until MSSB shall receive due written notice of an amendment, modification or rescission of such Resolutions or certification. Further resolved that MSSB shall not be liable for any action taken or not taken upon instruction of any Authorized Person or Designated Person prior to MSSB's actual receipt of written notice of the termination or impairment of such person's authority. The failure to supply any specimen signature shall not invalidate any transaction which is in accordance with authority previously granted. Further resolved that the Corporation shall indemnify and hold harmless MSSB and any of its subsidiaries and affiliates from any and all claims that a transaction was unauthorized or outside the scope of the Corporation's powers, if such transaction was authorized by any of the Authorized Persons or Designated Persons.

EIGHTH, that in the event of any change in the office or powers of persons hereby empowered, the secretary (or other duly designated officer), shall certify such changes to MSSB, in writing, which certification, when MSSB receives it, shall terminate the powers of the persons previously authorized and empower the persons thereby substituted in accordance with all the provisions of these Corporate Resolutions.

NINTH, that the Corporation hereby authorizes MSSB to charge any amount due to MSSB under any arrangement with the Corporation, against any or all of the accounts and other property of the Corporation held with MSSB or any of its affiliates, with the Corporation remaining liable for any deficiency and each Authorized Person or Designated Person is authorized and directed to pay to MSSB by checks and/or drafts drawn upon the funds of the Corporation such sums as may be necessary to discharge the Corporation's obligations to MSSB.

TENTH, Corporation agrees that MSSB may apply these Resolutions to any accounts in the name of the Corporation.

The following three (3) resolutions are applicable only to Native American Tribes:

ELEVENTH, that Section 15 of the Client Agreement is modified to include the following language: The Tribe agrees:

- (a) that binding arbitration shall be the exclusive formal remedy for all disputes, controversies or claims between the Tribe and MSSB, including its agents, assigns or Affiliates (collectively, "MSSB"), as further described in Section 15 of the Client Agreement;
- (b) that such arbitration shall provide final and binding resolution of any dispute between the parties;
- (c) that the Tribe expressly and irrevocably waives its immunity from suit as well as its rights to seek or exhaust tribal remedies and that the waiver granted herein includes the arbitration of disputes as contemplated by Section 15 of the Client Agreement, as well as any actions in any court of competent jurisdiction to compel arbitration and to enforce an arbitration award;
- (d) that the waivers of sovereign immunity and of the right to demand exhaustion of tribal remedies shall survive the expiration, termination or cancellation of the Client Agreement; and
- (e) that, if enforcement of an arbitration award or a judicial order becomes necessary by reason of failure of one or both parties to voluntarily comply, the Tribe waives its sovereign immunity from any final judgment or order of a court of competent jurisdiction enforcing an arbitration award.

For Internal Use	Only	
Branch No.	Account No.	Financial Advisor No.

TWELFTH, that the Tribe certifies that none of the monies, securities, funds or other property invested or to be invested by the Tribe in accordance with the Client Agreement and this resolution, or paid or to be paid to MSSB in accordance with the Client Agreement and this resolution, constitute (a) funds held by the United States in trust for the Tribe or for members of the Tribe, or (b) funds obtained by the Tribe from the United States of America or any State government or agency for the purpose of carrying out projects or programs specified by the United States of America or any State government or agency, other than funds received by the Tribe, pursuant to one or more guarantee contracts with the United States Department of Housing and Urban Development ("HUD"), for the purpose of funding affordable housing activities under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.).

THIRTEENTH, that the Tribe certifies, to the extent the Tribe is investing funds that are part of a tribal trust fund for minor members of the Tribe or subject to the requirements of a tribal trust fund or a HUD depository agreement, that investment instructions provided by the Tribe to MSSB with respect to such funds will comply with all legal requirements applicable to such funds.

4. Certification of the Duly Authorized Officer of the Corporation

I hereby certify that I am the Duly Authorized Officer of the Corporation named above, a corporation duly organized and existing under the laws of the State of Incorporation or other non-U.S. jurisdiction, that the Corporation is in good standing and qualified to do business in this state or other non-U.S. jurisdiction. I further certify that the Resolutions herein are a true, correct and complete copy of Resolutions duly adopted at a meeting of the Board of Directors of the Corporation held on the date specified below, at which meeting a quorum was present and voting; that such Resolutions are in accordance with the charter and by-laws of the Corporation, are in full force and effect and have not been amended, modified or rescinded.

IN WITNESS WHEREOF, I have hereunto affixed my hand (and the seal of the Corporation).

PRINT NAME OF DULY AUTHORIZED OFFICER		
SIGNATURE OF DULY AUTHORIZED OFFICER	DATE (MM/DD/YYYY)	DATE OF MEETING OF BOARD OF DIRECTORS
5. Authority of the Corporate Duly Authorize	d Officer	
The Corporation certifies that the Corporate Dul- elected to and now holds that office and that the s		
PRINT NAME OF CERTIFYING PARTY	TITLE OF CERTIFYING P	ARTY
SIGNATURE OF CERTIFYING PARTY	DATE (MM/DD/YYYY)	

© 2014 Morgan Stanley Smith Barney LLC. Member SIPC.



AUTHORIZED PERSONS AND ENABLING RESOLUTIONS FOR CORPORATIONS (12/2014) NNAAAER

NNAAAER

NAO

PAGE 4 OF 4 NY CS 8060860 12/14



Action

Item

Approval of Opening Morgan Stanley Account

Re: Transfer of Charitable Remainder Trust

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Executive Management Jeff McBride, CEO Joyce Kirchhofer, CFO

RECOMMENDATION:

The Board of Directors approves opening an account with Morgan Stanley for a Charitable Remainder Trust account to transfer Carr Family C.R.T. from Pomona Valley YMCA to YMCA of Orange County.

REASON FOR ACTION:

YMCA of Orange County through asset transfer agreement is acquiring all assets of Pomona Valley YMCA. Pomona Valley YMCA has a Morgan Stanley account specifically for Carr Family C.R.T. To transfer the final assets the YMCA of Orange County needs to open an account with Morgan Stanley to transfer said funds.

FINANCIAL IMPACT AND FUNDING SOURCE:

Funds being transferred \$77,416 as of statement dated April 30, 2018



To Open C. R. T. Account

Morgan Stanley

	Financial Advisor No.
se Only	Account No.
For Internal Ut	Branch Na,

Account Application and Client Agreement

Instructions

To ensure prompt processing of your account(s):

- 1. Please provide the requested information on page 2 in the Trustee Certification and Trust Account Agreement.
 - 2. Please provide the requested information and make the requested elections on pages 5-7.
- rease provide on verify the Trist's Tax Identification Number ("TIN") and the Iegal address of the Trust on page 10.
- The Granton's Social Security Number ("SSN") should only be used if the Trust does not have a separate and distinct TIN
 - 4. If applicable, enter the Exempt payee code and/or FATCA reporting code on page 10 (see page 11 for exempt codes).
 5. All trustees must sign, date and provide or verify their SSN where designated on page 10.
 - 6. Please return pages 1-11, starting with this page. Please retain the attached Client Agreement for your records.

Important Information About This Application

To open and maintain your account(s), each trustee must acknowledge receipt of and agree to the terms and conditions of the Morgan Stanley Smith Barney LLC ("Morgan Stanley"). Client Agreement ("Client Agreement"), the Thustee Certification and Trust Account Agreement, any ancillary services you have elected to receive, and any relevant disclosures that are contained in your account opposing materials and in this application. Each trustee must also attest to the tax certification, and provide, or verify the Trust's TIN and provide or verify their SSN. If you transmit an executed copy of the Client Agreement or other required documentation by facsimile, portable document format (PDDF") or by any other electronic method approved by Morgan Stanley, you agree to be bound by such electronic versions.

Account Linking Service

Io minimize the number of separate mailings you receive, we offer an automatic Account Linking Service. Our Account Linking Service allows you to receive multiple account statements and other important information together in a single envelope, in a consolidated format, with a summary page showing the value of each linked account. Accounts with the same mailing address, branch, Financial Advisor, and SSN(s) or TIN(s) ("Account Link Group') will be subject to Morgan Stanley's automatic Account Linking Service. There is not charge for this service. After an account has been identified as eligible for automatic Account Linking, but before the account is added to an Account clink Group, you will see a message on your account statement advising you that the new account will be added during the following statement cycle. Upon receipt of your next account statement advising you that the new account will be added during the following asterner cycle. Upon receipt of your next account statement advising you account statements will be consolidated into a single envelope. If you do not safe a businage of the automatic Account Linking Service you may pp-out of fibit service by contacting the Morgan Stanley team servicing your account(s).

You may request to add accounts to an Account Link Group that have different SSNs or TINs, provided all other eligibility tules are met. You understand that if you link your account(s) with account(s) owned by others, your personal and financial information will be provided to such other account owner(s) by virtue of being included in an Account Link Group. With Account Linking, your consolidated statement can be accessed online through a single Morgan Stanley Online sign-on if you are an owner, or are authorized to view or transact on an account.

Monguo Sanido Sanido Barto, LLC is a registrared broker-douler, nor a bank. Where appropriate, we have camered into arrangements with licensed banks and other third parties to start in offering certoin acrotor. U.S. brais-laund certificates of deposit purchased through Mongan Stanley, Clobal Currancy time deposits and the Bank Deposit Program are marked by the EDIX up to applicable limits. All other investment products are nor EDIX insured, are nor a deposit or other obligation of a depository institution, and are not guaranteed by a depository institution. You further understand that all other investment products are subject to investment relationship institution.

The Chert Agreement sers forth the terms and conditions applicable to your account(s) and, together with the Important Account Information boolder and any other account equipment information and confined simportant information shout second restricts a forth and a copy of our U.S. Britacy, Policy. The accounted you are opening it a breaked seas account, which is not regulated by the Invasiment Advisor Act of 1940, as amended. Certain services may not be realible in jurisdictions ounside the United States.



ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATRST PAGE 1 OF 11 NY CS 9175348 DA/18

Trustee Certification and Trust Account Agreement

.5
applies
his Certification
which 1
9
Trust
ofthe
tirle
3
Ë

Example: John Jones and Sam Smith, Co-Trustees of the Mary Jones Trust Dated 12/07/1997

- Example: John Jones and Mary Jones, Trustees of the William Jones Trust Under the Will of Susan Jones Dated 08/06/1999
 2. The date of the governing Trust or Will is:
- 3. The Grantor(s)/Irustor(s) of the Trust is/are:

□ Yes □ No
by the Grantor(s):
revocable
rhe Trust
4. Is

In consideration of Morgan Stanley Smith Barney LLC ("MSSB") opening and/or maintaining an Account for the Trust elseribed above (the "Trust Account"), you, the undersigned Trustees certify, represent and warrant to MSSB that you have read, understand and agree to the following terms and you further certify, represent and warrant that the Trust is in full force and effect, that the representations made herein are accurate, and that the below information is true and complete.

You represent that the Trust was validly created and that the signatories herein are the only Trustees of the Trust. If only one individual is named, you agree that MSSB may assume that the individual is the sole Trustee, and, where applicable, plural references herein shall be deemed to be singular.

The Thustees are authorized to give orders and instructions to MSSB on behalf of the Trust (including orders to buy, sell, hold, transfer, or distribute securities and to disburse or receive money) and to execute any documents necessary to open or maintain an account or accounts for the Trust.

Any one Trustee may independently exercise any of the powers certified to herein and may individually act on behalf of and bind the Trust, as well as execute any documents on behalf of the Trust that MSSB requires (including an agreement to arbitrate all disputes concerning the Trust account). You agree that if you intend to rame a delegate other than a Trustee that you have the power to do so and that you will execute MSSB's discretionary documentation or provide MSSB with alternative documentation acceptable to MSSB.

If MASSB receives conflicting instructions from different Trustees, or reasonably believes instructions from different Trustees, or reasonably believes instructions from different Trustees, or reasonably believes instructions from the manual manual contractions from different Trustees, or reasonably believes instructions from the manual contractions from different Trustees, or reasonably believes instructions from the manual contractions and the manual contractions from the manual contractions and the manual contractions are manual contractions a

If MSSB receives conflicting instructions from different Trustees, or reasonably believes instructions from one Trustee might conflict with the wishes of another Trustee, MSSB may do any of the following: (a) choose which instructions to follow and which to dissegard: (b) suspend all activity in the account until witten instructions signed by all Trustees are received; (c) close the account and deliver all scentifies and other property, net of debits or liabilities, to the address of record; and/or (d) take other legal action. You agree that MSSB retains the right to require joint action of all Trustees and/or authorized persons with respect to any activity relating to the Trust Account whenever such joint action may be deemed necessary in MSSB's sole discretion.

1. Representations

You recognize that the Trust, will or other document by which the Trust referenced above was created ("Operative Document"), and or all substantive laws that govern or apply to the Operative Document ("Governing Law"), can limit your authority with respect to the Trust. You also recognize that you are solely responsible for ensuring that all orders, instructions and transactions that the Trust enters into are permitted by the Operative Document and its Governing Law. Accordingly, you represent and warrant (which representations and warranties shall continue during the term of this Agreement), that:

- (a) You are the duly appointed and acting current Trustec(s) of the Trust and are familiar with the terms of the Operative Document and its Governing Law;
 - (b) You have authority under the Operative Document and Governing Law to enter into and perform the obligations set forth herein and in the Client Agreement;
- (c) You have the power under the Operative Document and Governing Law to give MSSB valid orders and other instructions relative to the Thust Account as certified berein, and all such orders and instructions are and shall be binding on the Trust:

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATRST

AACATRST

NAO

PAGE 2 OF 11 NY CS 9175348 04/18

33/62

- (d) The Operative Document and Governing Law authorize you to make distributions/transfers from the Trust by check, electronic funds transfer, Debit or other Cards (if issued) or otherwise, to yourselves, the beneficiaries and others as you may direct, and MSSB shall have no responsibility to ensure the proper application of trust funds, securities or other assets by any Trustee;
- To the extent that any order, instruction or transaction hereunder, including usage of checks, a Debit or other Card, requires a delegation of your fiduciary authority to act on behalf of and bind the Trust with third parties, you are fully empowered to make such delegation under the Operative Document and Governing Law, and have undertaken all acts necessary for such delegation to be effective; T
 - consequences, and that you will consult as necessary with qualified professionals to identify and evaluate any such consequences. You acknowledge that additions and/or distributions from the Trust Account may carry income, gift, essate and/or generation-skipping transfer tax consequences. You also acknowledge that issuance of a Debit or other Catel may provide certain holders thereof with a You are solely responsible for any and all tax consequences of any kind and nature related to any order, instruction or transaction as certified herein. You acknowledge that each order, instruction or transaction may carry international, federal, state or local tax general power of appointment" over the Trust Account for U.S. tax purposes;
- identity of the Trustees and the persons authorized to act on behalf of the Trust. MSSB may rely on the information provided by you the accuracy of the information provided in connection with the opening and maintenance of the Account, including changes in the You will immediately notify MSSB, in writing, if there are any amendments to the Operative Document that would affect or alter and the representations and warranties contained herein until it receives such written notice signed by all of the Trustees;) (3)
 - (h) You agree to provide MSSB with a copy of the first and last page of the Operative Document to evidence the formation of the Trust and, upon request, with a copy of the entire Operative Document; and
 - These representations and warranties and the (Hient Agreement, represent a valid, legal and binding obligation of the Truss, enforceable against the Trust according to its/their terms. 3

Certification That All Investment Transactions and Instructions Are Permitted by the Operative Document

instruction that you will give to MSSB to putchase or sell any security, option, commodity or other investment products, to pursue any hereby expressly agree that MSSB shall assume that any instruction that you give with respect to the Trust is duly authorized under the particular investment strategy, including the use of margin or to accept such instructions from a third-parry delegate. As a result, you Operative Document and Governing Law, including (without limitation) with respect to transactions involving any of the following: You hereby certify that neither the Operative Document nor Governing Law place any restriction or limitation with respect to any

- Corporate Equity Securities
- Corporate Debr
- Municipal Securities

U.S. Agency Securities

- U.S. Government Securities
- Mutual Funds
- Non-Traditional Investments (including hedge funds, funds of funds, private equity, venture capital or other collective investments
- Insurance and Annuities
- Margin Transactions (including short sales and non-purpose loans)
- · Options Transactions (including uncovered positions, spreads and straddles)
- Commodities and Futures Transactions
- · Hiring of investment advisers and the delegation of investment discretion to third parties including MSSB or other investment advisers recommended by MSSB

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATEST

AACATRST

NAO

PAGE 3 OF 11 NY CS 917534B 04/16

nent of Trust assets is consistent with the complete discharge of your fiduciary duties. You certify that MSSB shall have no obligation under the Operative Document or Governing Law to make any inquiry into your authority or the reasonableness or appropriateness of any including without limitation any duties to control investment risk or to diversify investments, that apply under the Operative Document or Governing Law. You therefore agree that MASB shall assume that any instruction, action or inaction on your part with respect to the You hereby certify that you will undertake, and accept sole responsibility for all duties with respect to the investment of Trust assers. direction, instruction, action or non-action given or taken by you.

of or in connection with the improper use of the account by any Trustee or dolegate including any related check writing. Debit or other indemnification shall survive the termination of the Trust Account or your agreements herein and in the Client Agreement, and shall be expenses, including attorneys' fees for effecting transactions or instructions of the types specified herein or, where applicable, arising out in the Client Agreement. You shall be jointly and severally liable for performing the obligations stated herein. Such obligations and this Card transactions, electronic funds transfer and other privileges or otherwise relying on your representations and warranties herein and You, individually and on behalf of the Trust, hereby agree to indemnify and bold harmless MSSB against any and all liabilities and binding upon all heirs, beneficiaries, successors or assigns.

the powers and authorities herein delineated shall be ineffective as to such transfer agent or third party, including MSSB and Its affiliates. party from and against all claims that may arise against such transfer agent or other third party by reason of such third party having relied To induce any transfer agent or other third party to act hereunder, you hereby agree that any transfer agent or other third party receiving agent or third party. You, individually and on behalf of the Trust, agree to indemnify and hold harmless any such transfer agent or third a duly executed copy or facsimile of this instrument may act in reliance thereon, and that any modification, revocation or termination unless and until actual notice or knowledge of such modification, revocation or retmination shall have been received by such transfer on the representations and warranties you make herein and in the Client Agreement.

4. Entire Understanding and Governing Law

relating to the Trust Account. In the event of any conflict between these representations and warranties and the Client Agreement, these representations and warranties shall prevail in respect of the Trust Account. You further agree that these representations and warranties and contained on any statements and confirmations sent to you by or on behalf of MASB, contain the entire understanding between you and Agreement, and you further agree that the Trust Account is subject to the terms of the Client Agreement. In respect of the Trust Account, You agree that these representations and warranties and the Client Agreement, together with any other agreements you enter into with all provisions herein, shall be governed, construed and interpreted in accordance with the laws of the State of New York withour giving MSSB relating to the Trust Account, any procedures established by MSSB with respect to the use of the Trust Account, and any terms MSSB concerning the Trust Account. You acknowledge that you have read, received, understand and agree to the terms of the Client these representations and warranties and the Client Agreement shall prevail over any prior conflicting provision of any agreement effect to the principles of conflicts of laws,

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACAITST

PAGE 4 OF 11 NY CS 9175348 DA/18

AACATRST

NAO

USA PATRIOT Act3 Notice

information that identifies each individual or institution that opens an account or establishes a customer relationship with Morgan Stanley, Important information about procedures for opening a new account or establishing a new relationship: To help the U.S. government fight the funding of terrorism and money laundering activities, federal law requires all U.S. financial institutions to obtain, verify, and record

your name, legal address, date of birth (as applicable), SSN/TIN (as applicable) and other idenification information. This information will What this means for you: When you open a new account or enter into a new customer relationship with Morgan Stanley, we will ask for be used to verify your identity. As appropriate, we may, in our discretion, ask for additional documentation or information. If all required documentation or information is not provided. Morgan Stanley may not be able to open an account or maintain a relationship with you.

Trusted Contact Authorization (optional)

and/or the identity of any legal guardian, executor, trustee or holder of a power of attorney or as otherwise permitted by the Rules of the By completing this section, you designate the person(s) listed below as your trusted contact person(s) ("Trusted Contact"). Your Trusted Contact(s) must be an individual 18 years of age or older. You understand that Morgan Stanley is authorized, in our discretion, unless account(s) in order to address possible financial exploitation, confirm the specifies of your current contact information, health status required by applicable law, regulation or rule, to contact your Trusted Contact(s) and disclose information about you and/or your Financial Industry Regulatory Authority ("FINRA").

on your behalf. Morgan Stanley is authorized, but not obligated, unless required by law, regulation or rule, to contact the Trusted Contact(s) listed below. Where multiple Trusted Contacts are listed, we may contact one or more Trusted Contacts in any order we deem appropriate. This Trusted Contact Authorization does not grant your Trusted Contact(s) trading authorization or any other authority to make decisions

Please provide us with the information requested below.

Trusted Co	Trusted Contact Person		1
NAME OF TRUSTED CONTACT	RELATIONSHIP/WHICH TRUSTEE	:	
MALLING ADDRESS	CITY	STATE	ZIP
PHONE NUMBER(S)	EMAIL ADDRESS	!	
Trusted Co	Trusted Contact Person		
NAME OF TRUSTED CONTACT	RELATIONSHIP/WHICH TRUSTEE		
MALLING ADDRESS	CHA CHARLES THE CONTRACT OF TH	STATE	AIZ.
PHONE NUMBER(S)	EMAIL ADDRESS		ı
Trusted Co	Trusted Contact Person		
NAME OF TRUSTED CONTACT	RELATIONSHIPAWHICH TRUSTEE		
MAILING ADDRESS	CITY	STATE	ZIP
PHONE NUMBER(S)	EMAIL ADDRESS	1	
Trusted Co	Trusted Contact Person		
NAME OF TRUSTED CONTACT	RELATIONSHIP/WHICH TRUSTEE		
	CITY	STATE	dIZ :
PHONE NUMBER(S)	EMAIL ADDRESS		To a separate

PAGE 5 OF 11 NY CS 9175348 04/18 NA₀

AACATRST

Automatic Margin Privileges

1
유
جَہ
- 5
4
Z
AR
Z
2
~
the
岩
- Co
년
110
K.
-53
耳
₹
- Sp
÷
-5
4
品
3
=
ĕ
듄
50
Ť
.5
į
9
Ĕ
.5
~
at (
ассопи
ğ
ur a
0
I y
tha
E
pol
8
Please
£.

your cumulative margin availability (accounts must be in the same name and held by you in the same capacity). For more information on margin privileges, please read the Margin Disclosure Statement which is provided to you as part of your account opening materials and is also available online at http://www.morganstanley.com/wealth-disclosures/pdf?Margin_Disclosure_Statement.pdf. See the Margin Interest Morgan Stanley account with margin privileges, the value of all marginable securities in your accounts may be aggregated to determine Rate Schedule for margin interest rates available at http://www.morganstanley.com/wealth-disclosures/pdffMargin_Interest_Rate.pdf. Margin privileges may not be available in certain jurisdictions and are not available for all account types. If you have more than one

Automatic Cash Sweep

BDP_disclosure.pdf. If you are incligible to participate in the Bank Deposit Program, any free credit balances in all of your accounts will (e.g., certain persons residing outside the U.S.). The Bank Depasit Program is described in your account opening materials, as well as in The Bank Deposit Program will be your default sweep investment unless you are indigible to participare in the Bank Deposit Program the Bank Deposit Program Disclosure Statement that can be found at http://www.morganstanley.com/wealth-invest automatically sweep into one of the following money marker mutual funds' based upon eligibility:

- Institutional Liquidity Funds Government Securities Portfolio (available only if you are a U.S. Person and are not eligible for the Bank Deposit Program, or if you exceed the Deposit Maximum as defined in the Bank Deposit Program Disclosure)
 - SICAV U.S. Dollar Liquidity Fund Offshore Money Market Mutual Fund (does not meet the requirements of 270.2a.7 of the U.S. Investment Company Act and is not available to U.S. Persons as defined in Regulation S of the Securities Act of 1933)
- U.S. Government Money Market Trust (available only for individual retirement accounts that are not eligible for the Bank Deposit Program)

Cash Management Services (not all account types are cligible for all Cash Management Services)

Check Writing

🗀 If your account type is cligible, you will receive 50 complimentary wallet-style cheeks unless you <u>opt out</u> of cheek writing privileges by checking this box.

If you again by checking this box and your account type is eligible, you will receive a free Morgan Stanley Debit Card which is
accepted at MasterCard', Masstro* and STAR* network locations.

🗔 Check this box if you would like to enroll in Electronic Delivery of all chigible eDelivery Documents (as defined in the Client Electronic Delivery (eDelivery)

Agreement) and agree to be bound by the Electronic Delivery terms set forth in the Client Agreement. Note: acceptance of additional online eDelivery Terms and Conditions is required.

licu of receiving hard copies of such documents. These notifications will be sent to the email address that you provide below. At your first log-in to www.morganstanley.com/online there will be an email verification process that must be completed before electronic delivery can As a client enrolled in eDelivery, you will receive electronic notifications that certain documents are available for review electronically in commence. Any account(s) you open in the future that are linked to your existing account(s) will also be enrolled in eDelivery.

Please send all eDelivery notifications to the following email address:

EMAIL ADDRESS

- Morgan Statley reserves the right to approve or deny the use of margin privileges at its discretion. This dove not constitute an application for exedit.
- Our affiliare, Morgan Starley Investment Management ("MSIM"), serves as the investment adviser to the listed money marker muxual funds. Morgan Starley reverses-blatchig comprensation from MSIM based upon the amount of assets belief by clients in times money marker mutual funds.
- ⁹ The Morgan Sanloy Debit Card it issued by UMB Bank n.a., purnant to a license from MasterCard International Incorporated. Materic Card and Mastero are engineed trademarks of Materic Card International Incorporated. Investments and services are offered through Morgan Sanloy Smith Barney LLC. Member SIPC. The third-party rademarks and service marks remained betteln are the property of their respective content.

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATIST

NY CS 9175348 04/12

NAO

AACATRST

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCUUNTS (04/2018) AACATRST The Uniting and Streughening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. I. No. 107-56 (2001).

eler* Acknowledgment (applicable to all trusters) ú

Broker-Dealer	
æ	
5	nley
	Sra
6	gath
5	- Si
Ē	\geq
_	Ę
5	-5
ė	12
ψ.	00
_	-

- By checking this box, you represent that you are:
 - 1. a person employed by a broker-dealer; or
- 3. a child of a person employed by a broker-dealer or a child of the spouse of a person employed by a broker-dealer, who resides in the same household as, or is financially dependent upon, the person so employed; or 2. the spouse of a person employed by a broker-dealer; or
- 4. an individual over whose account(s) a person employed by a broker-dealer has control.

confirmations and statements, or an electronic feed of the transactional data contained therein, related to your Morgan Stanley account(s) and that Morgan Stanley will provide such information to that broker-dealer. You further understand and agree that Morgan Stanley will continue to provide such information until you, or the broker-dealer, notifies Morgan Stanky in writing that either you or the person may request duplicate copies of You understand and agree that pursuant to FINRA Rule 3210, the broker-dealer named below i employed by the broker-dealer is no longer so employed.

RELATIONSHIP TO CLIENT	RELATIONSHIP TO CLIENT
NAME OF PERSON EMPLOYED BY THE BROKER-DEALER	NAME OF PERSON EMPLOYED BY THE BROKER-DEALER
	1
ì	ì
NAME OF BROKER-DEALER	NAME OF BROKER-DEALER

Agreements and Signatures

and agree to the terms of the Client Agreement, the Trastee Certification and Trust Account Agreement, this application, as well as other relevant disclosures contained in your account opening materials, which by this reference are incorporated herein. You further agree that: By either signing below or attesting through forms of electronic attestation acceptable to Morgan Stanley, you acknowledge teceipt of

- margin, a debit balance may nevertheless be established in your account(s) to cover check and/or debit card transactions (including, but Margin Disclosure Statement is also available at: http://www.morganstanley.com/wealth-disclosures/pdBMargin_Disclosure_Statement Information booklet included with your account opening marerials, which describe the risks associated with margin borrowing. The others. You further understand and agree that if you have selected check writing and/or debit card privileges, but have opted our of 1. unless you have opted out of margin privileges, margin loans may be extended to you from time to time for purposes of purchasing securities or otherwise. Please see the section entitled Margin as well as the Margin Disclosure Statement in the Important Account pdf. You understand and agree that incurring a margin debit balance may result in your securities being loaned to us or to not limited to, funds transfers and debit card purchases) when there are insufficient Available Funds in your account(s).
- 2. If you have requested any Cash Management Services, you also agree to the terms of the relevant disclosures contained in your account those services and authorize Morgan Stanley to establish check writing privileges, online bill payment services, electronic funds transfer opening materials, this application, the Trustee Certification and Trust Account Agreement and any other agreements that govern capabilities and to issue debit cards as instructed by you,
- you decline to participate in any services offered by Morgan Stanley at this time, but elect to do so in the future, you will be bound by contained in your account opening materials, this application and any other agreements relating to such service(s) upon making such the applicable terms in the Client Agreement, the Trustee Cercification and Trust Account Agreement and other relevant disclosures any other agreements you may have with Morgan Stanley or other providers of survices related to your account(s). You agree that if your account(s) is also governed by the tetms and conditions applicable to any ancillary services you have elected to receive and/or
- among other things, establish additional trust accounts for you. You understand and agree that, subject to any information you provide other relevant disclosures contained in your account opening materials, this application, any certifications in connection herewith and relating to any such additional accounts, the terms of the Client Agreement, the Trustee Certification and Trust Account Agreement, Morgan Stanley may use this application and any certifications in connection herewirth, including certain authorization forms, to, any other agreements relating to such services at that time, shall apply to any such additional accounts.

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATEST

PAGE 7 OF 11 NY CS 9175348 04/18 NAO

AACATRST

- 5. if you have provided one or more Trusted Contact(s) in the Trusted Contact Authorization section of this application, the information provided will be confirmed to you in writing. You understand and agree that your Trusted Contact(s) must be 18 years of age or older. your Trusted Contacts at any time by contacting the Morgan Stanley team servicing your account(s). You acknowledge and agree that your Trusted Contact(s) and disclose information about you and/or your account(s) in order to address possible financial exploitation. or holder of a power of attorney or as otherwise permitted by the Rules of FINRA. You may add, remove and/or change any or all of You further understand and agree that we may, but are not obligated, unless required by applicable law, regulation or rule, to contact Trusted Contact Authorization does not constitute a trading authorization or power of artorney and does not authorize your Trusted we will rely on your agreement to promptly notify us of any changes to your Trusted Contact(s). You further acknowledge that the confirm the specifies of your current contact information, health status, and/or the identity of any legal guardian, executor, trustee Contact(s) to make any decisions on your behalf regarding your accound(s), including, but not limited to, making changes to your beneficiary designations.
- 6. you represent that you are fully capable of understanding the English language. You agree that English is the governing language for all of your accounts as well as all agreements, documents and services provided by Morgan Stanley. You understand that we will rely material is provided to you by Morgan Stanley in a language other than English, you agree thar such material is meant as a courtesy on this as a material representation in agreeing to open and maintain your account(s). If necessary, you agree to consult your own independent professional to assist you in understanding any material provided to you. If any document, communication or other translation only and is not binding.
- andfor to service your account(s). You also agree that you will not use this account(s), or permit them to be used, for any transactions corporation, business or entity that is closely aligned with a PEP such that it is subject to due diligence as a PEP ("PEP Entity"), you (f) with, involving or for the benefit of, any Sanctioned Person (excluding legally permissible transactions in debt or equity issued by an entity designated on OPAC's Sectoral Sanctions Identifications List), or (ii) in any other manner that would exause either you or 7. if you, or any other trustee, or authorized person on your account(s) is, or has been, a "Politically Exposed Person" ("PEP"), or is a confirm that you have disclosed this fact to Morgan Stanley and have provided the necessary information required by law to open Morgan Stanley to violate any Sanctions."
- Dealet Employment Acknowledgment section ("Broker-Dealet Employer") providing approval for you to open or maintain an account Employer with duplicate account statements, transaction confitmations or other information related to your Morgan Stanley accounts. unless you have advised us to the contrary, by checking the box in the Person Employed by a Broker-Dealer Acknowledgment section you. You agree to immediately advise us in writing if this representation is no longer accurare. If you have norified us by checking the Such authorization will remain in effect until you or the Broker-Dealer Employer norifies us in writing that either you or any person box that one of the four categories in the Broker-Dealer Employment Acknowledgment section applies to you, you understand and agree that if Morgan Stanley so requests, you will provide us with a letter from the broker-dealer employer identified in the Brokerwith us. You further agree that we are authorized by you, if requested by a Broker-Dealer Employee, to provide such Broker-Dealer of this application ("Broker-Dealer Employment Acknowledgment"), none of the four categories set forth in that section apply to described in the Broker-Dealer Employment Acknowledgment section is no longer employed by the Broker-Dealer Employer.

A Politically Exposed Person or PEP is a current or former proximent public figure, an intractiane family member of a prominent public figure, or a known close associate to a grounding the proximent public role or finetiam te.g., a seniar official in the executive, legislative, infligure, a prominent public figure is natural person currently or interdeste family members include the superspectations, producerur, in the executive, legislative, infligure, administrative, or judicial banchess of gueramena). Immediate family members include the subsequencement, producerur, subing, child, super-public on below of the prominent public figure. Scorn observations and the subsequence of the prominent public figure and con include anyone in any capacity, such as distant relatives, amployees, and business representatives/agants.

"Stactions" means economic or financials sencious or tenticitive measures or trade embages imposed, administrated or enforced from time by any of the following samiciant inflashing without linkability without linkability without linkability without linkability without linkability without linkability and the Council of the European Linkab and the trades that the Matient Scenary Cannel, and the Council of the European Linkab and the trades that the Matient Scenary Cannel, and the Council of the European Linkab and the trades that the Matient Scenary Cannel, and the Council of the European Linkability of the Matient Scenary of the United Kingdom. "Sanctioned Reson" means, at any time, a ready linkability lined in any Sections-effect linkability support of the althore-mentioned samicians authorities, (d) any Phason operating organized or stadem in a Executioned Country or (c) any Reson operating organized or stadem in a Executioned Country or (c) any Reson controlled by any such Tensor. "Sanctioned Country" means at any time, a country or territory which is the abject or rappe of any comprehensive services. A PEP. Endty is any corporation, business or other entity that (1) has a prominent public figure that is a beneficial owner; or (2) has a key controller who it a prominent public figure exercises actual or effective control over the entity).

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATRST

MAO

AACATRST

PAGE 8 OF 11 NY CS 9175348 04/18

36/62

Additional certifications for clients who are not U.S. Persons¹⁰

By either signing below or attesting through forms of electronic attestation acceptable to Morgan Stanley, you certify that:

- Morgan Stanley by you or any individual related to your account(s) are current, true and accurate. You agree to notify Morgan Stanley 2. you are not a U.S. Petson. You affirm, as applicable, that any photocopies of a passport or national identity card provided to immediately in the event you become a U.S. Person.
 - in Regulation S of the Securities Act of 1933, and that you were not in the United States at the time you signed this application, and Mutual Fund ("SICAV Money Market Mutual Fund") will be your default sweep investment if you are not a U.S. Person as defined you were not solicited to select the SICAV Money Market Mutual Fund while you were in the United States. You further agree that 6. if you are incligible to participate in the Bank Deposit Program, the SICAV U.S. Dollar Liquidity Fund Offshore Money Marker Morgan Stanley is authorized to sweep any free credit balances in your account(s) into the SICAV Money Market Mutual Fund.
 - c. you have specifically requested investment services from Morgan Stanley of your own volition and you have requested that Morgan Stanley provide advice to you on a continuing basis.
- d. you will use your account(s) solely for lawful purposs: and will comply with all applicable laws, regulations and rules regarding taxation, exchange and capital controls, and reporting and filing requirements.

THIS SECTION INTENTIONALLY LEFT BLANK

A. U.S. Person. means any U.S. Person as defined in Regulation S under the U.S. Securities Act of 1933, as amounted.

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCIUNTS (04/2018) AACATIST

NA PA AACATRST

PAGE 9 OF 11 NY CS 9175348 D4/18

N80

AACATRST

Client Acknowledgement

Form W-9, Non-U.S. persons must file the appropriate Form W-8 which will be provided to you separately. Morgan Stunley may be required by law to writhhold a percentage of dividends, interest and gross proceeds of sales of securities for any account for which a If you are not a U.S. person for U.S. federal tax purposes, your signature below does not constitute a certification to the Substitute Form W-9 or appropriate W-8 is not on file with Morgan Stanley.

Signatures	
ð	
n an	-
icatik	
ij	
Tax Cert	•
描	۰
드	ç

tute Form W-9: Request for Taxpayer Identification Number and Certification

Under penalties of perjury, you certify that:

- 1. The number provided herein is your correct Taxpayer Identification Number (or you are waiting for a number to be issued to you); and 2. You are not subject to backup withholding because:

 - You are exempt from backup withholding, or
 You have not been notified by the Internal Revenue Service (IRS) that you are subject to backup withholding as a result of a
 - failure to report all interest and dividends, or
- The IRS has notified you that you are no longer subject to backup withholding; and 3. You are a U.S. person (including a U.S. resident alien).

CERTIFICATION INSTRUCTIONS: YOU MUST CROSS OUT ITEM NUMBER 2 ABOVE IF YOU HAVE BEEN NOTTFIED BY THE IRS THAT YOU ARE CURRENTLY SUBJECT TO BACKUP WITHHOLDING BECAUSE YOU HAVE FAILED TO REPORT ALL INTEREST AND DIVIDENDS ON YOUR TAX RETURN.

Legal Address of the Trust;

LEGAL BUSINESS STREET ADDRESS (CANNOT BE PO BOX)

CITY, STATE AND ZIP OR POSTAL CODE (AND COUNTRY IF OUTSIDE THE US)

Exempt payee code (if any).

Exemption from FATCA reporting code (if any)

See page 11 for codes

See page 11 for codes

Your account(s) at Morgan Stanley are governed by a

of the attached Client Agreement). You acknowledge that you predispute arbitration clause (starting on page 9, section 15 have received a copy of the Client Agreement, including the predispute arbitration clause,

The Internal Revenue Service does not require your consent to any provision of this Client Agreement other than the certifications required to avoid backup withholding set forth above.

TRUST TAX IDENTIFICATION NUMBER*

TRUSTRE (PRINT NAME)	SIGNATURE	TRUSTEE'S SOCIAL SECURITY NUMBER	DATE (MM/DD/YYYY)
TRUSTEE (PRINT NAME)	SIGNATURE	TRUSTEE'S SOCIAL SECURITY NUMBER	DATE (MIN/DD/YYYY)
TRUSTEE (PRINT NAME)	SIGNATURE	TRUSTEE'S SOCIAL SECURITY NUMBER	DATE (MM/DD/YYYY)
TRUSTEE (PRINT NAME)	SIGNATURE	TRUSTEE'S SOCIAL SEGURITY NUMBER	DATE (MIMDD/YYYY)
TRUSTEE (PRINT NAME)	SIGNATURE	TRUSTEE'S SOCIAL SECURITY NUMBER	DATE (MIN/DD/YYYY)

* Please critice the correct Tax Identification Number (TIN) is entered. The Graniter's SSN should only he used if the Triat does not have a separate and distinct TIN.

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATHST

PAGE 10 OF 11 NY CS 9175348 04/18

Exempt Payee Codes and Exemption from FATCA Reporting Codes

Exempt payee code. Generally, individuals (including sole proprietors) are not exempt from backup withholding. Corporations are exempt from backup withholding for certain payments, such as interest and dividends. Corporations are not exempt from backup withholding for payments made in settlement of payment card or third party network transactions.

Note: If you are exempt from backup withholding, you should still complete this form to avoid possible erroncous backup withholding. The fullowing codes identify payees that are exempt from backup withholding:

1—An organization exempt from tax under section 501(a), any IRA, or a custodial account under section 403(b)(7) if the account

- satisfies the requirements of section 401(f)(2)
- 2—The United States or any of its agencies or instrumentalities
 3—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities 4-A foreign government or any of its political subdivisions, agencies, or instrumentalities

 - 5-A corporation
- 6—A dealer in securities or commodities required to register in the United States, the District of Columbia, or a possession of
 - 7--- A futures commission merchant registered with the Commodity Futures Trading Commission the United States
 - 8-A real estate investment trust
- 9—An entity registered at all times during the tax year under the Investment Company Act of 1940
 - 10 --- A common trust fund operated by a bank under section 584(a)
 - 11-A financial institution
- 12—A middleman known in the investment community as a nomince or custodian 13-A rrust exempt from tax under section 664 or described in section 4947

Exemption from FATCA reporting code. The following codes identify payees that are exempt from reporting under FATCA. These codes apply to persons submitting this form for accounts maintained outside of the United States by certain foreign financial institutions. Therefore, if you are only submitting this form for an account you hold in the United States, you may leave this field blank. Consult with the person requesting this form if you are uncertain if the financial institution is subject to these requirements.

An organization exempt from tax under section 501(a) or any individual retirement plan as defined in section 7701(a)(37)

- A—An organization exempt from tax under section 501(a) or any B—The United Status or any of its agencies or instrumentalities
- C—A state, the District of Columbia, a possession of the United States, or any of their political subdivisions or instrumentalities
 - D—A corporation the stock of which is regularly traded on one or more established securities markets, as described in Reg. section 1,1472-1(c)(1)(i)
- E-A corporation that is a member of the same expanded affiliated group as a corporation described in Reg. section 1.1472-1($\varphi(t)(i)$ F-A dealer in securities, commodities, or derivative financial instruments finduding notional principal contracts, furnes, forwards.
 - and options) that is registered as such under the laws of the United States or any state
 - G-A real estate investment trust
- H--A regulated investment company as defined in section 851 or an entity registered at all times during the tax year under the
 - I--- A common trust fund as defined in section 584(a) Investment Company Act of 1940
 - J—A bank as defined in section 581
- L---A trust exempt from tax under section 664 or described in section 4947(a)(1)
 - M---A tax exempt trust under a section 403(b) plan or section 457(g) plan

2018 Morgan Stanley Smith Barney LLC. Member SIPC.

Morgan Stanley

NAO

AACATRST

PAGE 11 OF 11 NY CS 9175348 O4/18

ACCOUNT APPLICATION AND CLIENT AGREEMENT FOR TRUST ACCOUNTS (04/2018) AACATRST

Morgan Stanley

Client Agreement*

and "Morgan Stanley Wealth Management" refer to Morgan Stanley Smith Barney LLG. The words "you," "your," "yours" and "client" refer to the account owner(s) and/or authorized person(s). in the following agreement, the words "we," "us," "our," "Morgan Stanley"

open or maintain now or in the future with or through Moogan Stanicy or is editect or indirect substituers and adfiliares, including but not initiated to Moogan Stanicy & Co. L.K., Moogan Stanicy Stanicy & Co. L.K., Moogan Stanicy Stanicy Stanicy Moogan Stanicy Stanicy Stanicy Moogan Stanicy Stanicy Stanicy Stanicy Stanicy Physics Brink, National Association (collectively, "Milliass"). In consideration of Morgan Stanley opening, maintaining or servicing an account or multiple accounts on your behalf, it is agreed than, unless otherwise noted, the terms and conditions of this Client Agreement (the "Agreement") apply to all such accounts that you, in all capacities,

visions of this Agreement shall be continuous. Your heirs, executors, administracors, assigns, beneficiaries and successors will aim the hourd by the terms of this Agreement, as will any successor organization or assign of Morgan Sanloy. Except for the seature of limitations applicable: to claims, this Agreement is governed by the laws of the Sance of New York Gand, with respect to RAAs, CENAs, qualified retirement and wedfare heareft plan occusins, the provisions of the U.S. Internal Revenue Cocke of 1986, us this Agreement is determined by competent authority to be prohibited or unenforceable in any jurisdiction, that provision shall be decemed ineffecti of this Agreement becomes inconsistent with any applicable current or future law, regulation or rule, that provision will be deferred changed to conform to any such law, regulation or rule and all ruher provisions of this Agreement will remain in effect and unchanged. If any provision of amended, or any successor tax startites (the "Code"), and, to the extent applicable, the Employee Retiferment Income Security Act ("ERUSA")) without giving effect to principles of conflict of laws. If any provision in that jurisdiction without invalidating the test of this Agreement, or rendering such provision ineffective in any other jurisdiction.

you, you agree that neither we not any other entity performing services in connection with this Agreement will be lighle for connecquential, special or indirect damages or losses. This Agreement does not confor any rights no. Unless otherwise required by applicable law, regulation or rule and except as set forth in this Agreement and/or in other disclosures provided to

You agree that our failure to insist at any time upon strict compliance with any term of this Agreement, or any delay or failure on our part to exercise any power or right given to us in this Agreement, or any continued or right, not shall any single or patrial exercise of any power or right preclude any further exercise of such power or right, notwithstanding any use of conduct on our part, shall not operate as a waiver of such power ethal representations to the contrary made by any of our personnel or

representatives. All rights and remedies given to us in this Agreentent ar cumulative and not exclusive of any other rights or remedies which we

No provision of this Agreement can be amended or waived by you unless in writing and signed by an individual authorized to sign on behalf of

agreements governing your accountie), such changes will rather effect, without entoide to you. If however, such changes are adverse to you, we will provide you with no less than 30 days' written morties before such changes are selvence to you, we will provide you with no less than 30 days' written morties before such changes us teller. However, such changes to this Agreement that immediately become effective where we are required to do so by law, regadiation or rate for it any other circumstances that would prevent us from providing prior notice to you. If you continue to maintain your accounte(s) with Morgan Sanley after such notice, you will be deemed to have accepted such changes. Subject to the requirements of applicable law, regulation or rate, Morgan Sanley are way and that Agreement, in whole or in part, as any time with or without motice to your. Our may not, sell, assign or transfer any of your obligations Mongan Stanicy may amend, supplement, modify or reseind any and all provisions of this Agreement, and unless such changes are adverse to you or notice is required by applicable law, regulation or tule or other under this Agreement without the express, written, signed consent of Morgan Stanley.

We may decline to offer you certain services or cancel existing services available under this Agreement in our discretion without notice to you ents of applicable law, regulation or rule or consistent with the requirements of applicable other agreements applicable to your account.

all kinds, securities entidements, money, foreign currencies, savings deposits, certificates of deposit, bankers' acceptances, commercial paper, As used in this Agreement, the term property ("Property") includes, but is not limited to, investment property, securities accounts, commodities distributions, proceeds, products and accessions of any of the above, including proceeds of proceeds. All Property held in a securities account shall be treated as a financial asset under Article 8 of the New York options, options on futures contracts, commoditive and contracts for future delivery or options on contracts for future delivery of commodities or relating to commodities or relating to say other underlier, and the accounts, futures accounts, foreign exchange accounts, securities of Uniform Commercial Code.

You represent that you understand the English language. You agree that English is the governing language for all of your accounts as well as all documents and services provided by Morgan Stanley. You understand

- The Client Agreement is applicable to Active Assett Accounts," investment advisory accounts and individual Retirement Accounts (TIRA" including Traditional Bealtwest Rody India (SARA-SEP) and Syratge Liversment March Plan for Employees Individual Retirement Account (SIMPLE PLAN). Coverdell Education Savings Account (CESA), Trust Accounts, certain qualified restrement and working transfer to the page. ants, and Equity Plan Accounts.
- Note that in the case of a Mongan Kanley 1RA, you' refers to the beneficial owner of an account curodicd by Mongan Sanley or, in the case of a Mongan Sanley (CESA, the net antibothal that may be associated with the CESA account inch as the "Contributor" or the account, the deligented beneficiery or the applicable "Steponsible Individual," as the case may be acad a defined in the CESA document of the case of any other qualified retrement or relizar benefit plan account or a NEA account of the which Mongan Strainers nor the curochian, "son," refers to the "Plan Sponson," the "Plan Tituter," or the "Authorized Individual," in the "Yaon-Affithaced IRA Canredon" as the case are been cast as the fined in the application and agreement. Unless specifiedly rooted as business they, the term "Lay" reliza to clinical alpha.

GWMCLIEN

Keep This For Your Records

PAGE 1 OF 14 NY CS 9172643 04/18

CLIENT AGREEMENT (04/2018) GWMCLIEN

that we will rely on this representation as a material representation in agreeing to upers and maintain your accounts(s). If increasesy you agree to consult with an independent professional to assist you in understanding any material provided to you. If any doctument, communication no other material provided to you. by Morgan Stunley is in a language other than English, you agree that such material is meant as a courtesy translation anly and is not binding.

You understand and agree that Morgan Stanley may use your verifiable electronic agruence on any written instruction or authurization, including, but not limited or, the account application, this Agreement or any other agreement, as a tene, complete, valid, authentic and enforcable record, admissible in any judicial, administrative, or arbitration proceeding. You agree not occurrent the admissibility or the enforceability of any document with your verliable electronic signature in any proceeding between you and Morgan Stanley. (including, for example, savings deposits, Bank Deposit Program deposits and certificates of deposits) and Global, Currency time deposits are instunced by the FDIC, to us applicable limits and the all other investment products are not FDIC instunct, are not a deposit or other obligation of a deposition institution, and are not guaranteed by a depository institution, and are not guaranteed by a depository institution. You further such recording as evidence in any action or proceeding arising out of this Agreement, and to Morgan Stanley's erasure of any recording, in our discretion, as part of our regular procedure for the handling of recordings. You acknowledge that bank deposits purchased through Morgan Stanley at Federal Deposit Insurance Corporation ("FDIC") member institutions By communicating with Morgan Stanley by phone, you consent to the electronia remoding, withint nonlineation, of any or all despinous convexations with Morgan Sanley, to the exercit persistible under applicable law, regulation or rule, Further you consent to the use of any understand that all other investment products are subject to investment risks, including the possible loss of the entire principal amount invested.

speciments of our antenness arranges agreement or acreed agreement or document for that product, program or service shall govern.

Nonwithstanding the foregaing, any language in this Agreement or any other agreements or documents governing your account that may conflict or the inconsistent with the applicable IRA or CESA custodial agreement and plan documents, the applicable CEA or CESA custodial agreement and plan documents, the applicable qualified retirement or welfare benefit consistent and in compliance with the IRA or CESA costodial agreements and plan documents, the applicable qualified tentement or welfare benefit plan account application and agreement and the relevant sections of the Code and/or ERISA and regulations the encuder. To the exerter it is not apply to your account(s) or supplement this Agreement (including but not limited to, the IRA analor CESA Actorizon Agreement), all of white Colerthely govern your relationship with Mongan Stanley, Any unalged or verbal agreement between you and Mongan Stanley regarding any of the terms in this Agreement is null and woid. In the events of an relates to the survices provided under this Agreement, then the terms of this Agreement shall govern; if the inconsistency or discrepancy relates specifically to an additional service or program, then the terms of the Cade (Including, but not limited to, Sections 408 or 4975 of the Cade) and/or FRISA and the regulations thereunder, shall be interpreted to be plan account application and agreement, or the relevant Sections of the Code (including, but not limited to, Sections 408 or 4975 of the Code) in lieu of, any other written and signed agreements between you and Morgan Stanley. Certain features of your account(s) may be subject to additional applications, terms and conditions and agreements that also You acknowledge that this Agreement may be executed in counterparts cach of which shall be deemed an original and which together shall be deemed one instrument. This Agreement is in addition to, and not inconsistency or discrepancy between this Agreement and any other agreement or document, the following rules shall be used to resolve the inconsistency or discrepancy if the inconsistency or discrepancy

possible in interpret such language to be consistent and compilarat with such IRA and/or CESA custodial agreements and plan dincuments, the applicable qualified retirement or welfare benefit plan account application ons thereunder, then such language shall be of no force or effect to and agreement or the televant sections of the Code and/or ERISA and the extent of such inconsistency or nonce

1. Communicating With You

inmechitedy of any change to any of your addresses. If Mongan Stanley becames sware of a change to your mailing address through notification from the US Postal Service, we may update our recontain seasondingly provided, however, that Mongan Stanley has no obligation to update your mailing address unless you personally notify us of an address change. No less frequently than quarterly, we will send you a statement of your account(s). We will also send you transaction conformations ar required by applicable law, regulation or rule. We will keep on file for you certain communications. We will consider any communication delivered to any of your addresses as delivered to you personally. You must notify us addresses, including a mailing address that you provide (as well as an email address, if provided), which we will use to send you written inications. We will consider any comm

you directly rather than to an agent acting on your behalf. You affirm that the mailing address specified by you is an address where you personally receive communications unless it is the address of a qualified custodian as You acknowledge that the rules of the Secutities and Exchange Commission (the "SEC") require that certain communications be sent to defined by the SEC.

You acknowledge than, if you provide instructions to link your account(s) with accounts of others, your personal and financial information may be provided to the owners of such other account(s) as a result of your accounts being linked.

corporate actions, tax documents, confirmations and account staements. In consideration of Morgan Statuly accepting and acting tupon your alternate mall instruction, you agree that all each communications shall be deemed, for all purposes, to have been presonably received by you on the date indicated in suck communications. You further agree to indemnify from us pursuant to an alternate mail instruction, you agree that the instruction is applicable to all communications (except certain regulatorily mandated communications) including, but not limited to, proxies. Further you hereby specifically waive any claims attaing from your election and hold harnless Morgan Sranley, its officers, directors, employees, Affiliates and subsidiaries from any and all claims and liabilities arising from Morgan Stanley's compliance with any alternate mail instructions. ation, documents related to ff you have designated another individual to receive your comm not to promptly review transactions posted to your account(s). mandared communications) inclus

activity, you mate also send to the branch office servicing your account written motics of the claimed inaccounts or numerhorized activity. Failure to nosify, Morgan Sendey in verting within the above specified into: periods will preclude you from asserving as a later date that sech nerivity Itansactions entered or executed for your account(s) shall be confirmed Even if you have verbally advised us of any inaccuracy or unauthorized clusively be deemed accurate, and the underlying transactions ations and ren (10) days of your receipt of account statements. in writing to you where required by applicable law, regulation or rule. Iracies within three (3) days of your receipt of transaction authorized by and binding on you, unless You agree that your transaction confirm

CLIENT AGREEMENT (04/2018) GWMCLIEN

PAGE 2 OF 14 NY CS 9172643 04/18

Keep This For Your Records

3WMCLIEN

GWMCLIEN

Trusted Contact Authorization

any time by contracting the Morgan Stanley ream servicing your account(s). You advowed legs and agree that we will first on your agreement to promptly notify to so fany changes to your Trusted Caneaci(s). You firster advanwiedge that the Tussed Contact Authorization does not connectine. information, health stems, and/or the identity of any legal guardian, executor, rutuse or holder of a power of entermy or as otherwise permitted by the Rulas of the Transteal Industry Regulatory Authority (FINRA). You may add, returove and/or change, any or all of your Thusted Constants at by applicable law, regulation or rule, to contact your Trusted Contact and disclose information about you and/or your account(s) in order to address possible friencial exploitation, confirm the specifies of your exercit contact a trading authorization or power of attorney and does not authorize your Trusted Commercily to make any decisions on your behalf regarding your account, including, but nor limited to, making changes to your beneficiary designations. If you have provided the name and contact information for one or more trusted contact person(s) ("Trusted Contact") you understand and agree understand and agree that we may, but are nor obligated, unless required that your Trusted Contact must be 18 years of age or older. You further

Escheatment

regulation or rule, the Property in your account(s) may be exchemed to the appropriate jurisdiction if there has been no contact from you and no activity directed by you in your account(s) for the time period specified You understand and agree that, to the extent required by applicable law, by the law applicable to your jurisdiction

4. Non-Transferable Securities (not applicable to all account types)

If we do not receive a timely response, the security will be considered unclaimed property and will be escheaced in the state of your last known address in accordance with applicable state law. After the excheatment have the security restored to your account(s), provided your account(s) has not been closed. In the event that your account(s) has heen closed, we will send a letter to the last mailing address we have on file for you If Mongan Sanaley becomes aware that transfer agent services are no longer available for any security in your account(s). Mongan Stanley reserves the right to rarnow sends earthify from your account(s), Mongan Stanley will issue you a receipt in lieu of a physical exertificate as evidence of your ownership of that security. If at any time after the issuance of such receipt, Mongan Stanley, becomes aware that transfer issuance of such receipt. Mongan Stanley, becomes aware that transfer agent services have been reinstated, we will make reasonable efforts to requesting instructions from you as to the disposition of such security. of any such security, you will need to contact that state to claim

Electronic Delivery (eDelivery)

copy delivery of most documents relating to your accountly). Documents include, but are not limited to, general correspondence, account corporate action credit advices, account documentation, including your clean agreements and any amendments to such agreements, our U.S. Physoy Policy the Form AIDV Part 2A produme ("AIDV Brochure") and Part 2B applement for any investment advisory program, as applicable, and all documents that may be added by us on cDelivery in the future statements, transaction confirmations, prospectuses, performance reports By enrolling in electronic delivery (eDelivery), you understand that you are providing your informed and positive consent to receive documents electronically to the email address you provide and to discontinue hard

(collectively "eDelivery Documents"). When you ented in eDelivery you consent to the electronic delivery of all eDelivery Documents and further agree and understand that you will not receive, and we are not obligated to provide, hard copies of any elbelivery Documents unless specifically requested by you. You may incur a charge for any requested hard copy.

and other offering materials, meduding, preliminary prospectuses and other offering documenation (including, but not limited on, priving terms where applicable) for equity initial public offerings, secondary offerings, By enrolling in eDelivery you also agree to electronic delivery of syndicate and follow-ons, as well as new issue structured investments and new issue municipal and other fixed income securities ("Syndicate ("Herings"). Participation in many Syndicare Offerings requires eDelivery enrollment. If you du not enroll in eDelivery, you may not be able to participate in and follow

eDelivery Documents are available for your review. The email aduless that you provide will be used to send notifications of document availability to you for all selected accounts and document types associated with your After sentolling in eDelivery, you will receive eDelivery Dreaments electronically by accessing them on a Mongan Senthy or third-party website selected by Mongan Stanley after being notified by email that Morgan Stanley Online userna

certain Syndicate Offerings

You agree that when you select a specific document type (e.g., transaction confirmations) to be feetensually debeved fir all dy your estiming linked accounts, the selected document type will be electronically delivered fir any accounts, you may open in the future that are linked to your existing accounts.

disruptions in relecommunications services and/or the internet. Entail is non private or sectors. The destronted delivery notices sear to you by ernal are not encappeted. Although such electronic delivery nonifications are not intended to contain personally identifiable information, they may contain, in their calegip, pare of all of your name or overted inductions the courant, in their calegip, pare of all of your name or overted inductions are could be seen or intercepted by others, if delivered to electronic servers or devices not enclusively under your control. You understand and agree address you provided, we will notify you by regular mail. Depending on the reason for the failure, we may immediately asspend cDelivery, which will result in hard copy delivery of cPolivery Documents until you that you will not respond to any eDelivery notification by return email to request information, services, hard copies or other items, or to revoke your eDelivery consent. Morgan Stanley will not act upon requests made require cDelivery of preliminary prospectuses and other documents. If at any time we are unable to deliver email notifications to the email revalidate your email adderss. Accounts that have eDelivery suspend will not be able to participate in certain Syndicate Offerings that You understand and accept that certain risks are associated with the transmission of confidential information, electronic delivery notificat and other communications through the internet, including, but nor limited to, unauthorized access, systems outages, delays and/or

understand that other unline subscription or access fees by internet service providers may apply. It is your responsibility to maintain the ability to access and open eDelivery Dacuments. There are minimum computer your cDelivery Documents, including, hur not limited to, an internet Although eDelivery Documents are provided withour charge, you

Morgan Stanley will maintain an electronically accessible archive of your eDelivery Documents on our secure client website for seven (?) years after document publicarion. You are responsible for archiving eDelivery

Keep This For Your Records

CLIENT AGREEMENT (04/2018) GWMCLIEN

PAGE 3 OF 14 NY CS 9172643 04/18

Documents heyond seven (7) years. You agree that, notwithstanding your request for electronic delivery of eDelivery Documents, we may, in out rion, terminate eDelivery and send you copies of documents in hard

We may require a deposit or full payment before we accept an order from you. Without limiting the foregoing, you agree that if your account(s) does not have sufficient Available Funds (as defined below) to complete a transaction, you will promptly deposit the necessary funds to your

For the purposes of this Agreement, "Available Funds" refers to the TOTAL of:

- your Available Cash where "Available Cash" means the total amount of your free credit balances and any designated sweep investment balance: GNA
- your finds Available to Borrow where "Available to Borrow" means, unless specified otherwise, your available margin credit;

MINUS:

- any uncleared funds;
- funds reserved for debit card transactions;
- account first and other amounts owed to Morgan Stanley; AND
- any cushion or minimum deposit amount imposed by or through Morgan Stanley for any reason,

check writing, online or mobile bill payments, electronic funds transfers, to well as any other withdrawals, account fees and charges in your account(s) are satisfied fixe from your Available Cash and then from In general, debits arising from securitles trades, debit card transactions your funds Available to Borrow. You understand and agree that if you

Funds may fluctuate on a daily basis depending upon various factors, including, but not limited to. the time required to collect checks depresited the timing and status of your debit card and securities transactions, the time required we confirm transactions and day between financial institutions, and your usage of a loaniline of reciti produce referred by us or an Affiliate. You further agee c that Morgan Stanley may determine conflict or inconsistency between the definitions set forth in this section and any other agreement between you and Mongan Stanley and/or our Affiliates, the defined terms set forth above shall govern for purposes of have refected check writing and/or debit card privileges, but have opted out of margin, a debit balance may be established in your account(s) to cover check and/or debit card transactions (including, but not limited to, funds transfers and debit card purchases) when there are insufficient Available Funds in your account(s). You understand that your Available and adjust your Available Funds in our discretion. In the event of any in your account(s), the market value of securities in your account(s),

account opening, we may, in our discretion, restrict or cancel debit card or You agree that if you do not fund your account(s) within 90 days of check writing privileges and/or access to other account services.

You understand that IRAs, CESAs and qualified retirement and welfare beriefit plan accounts are eash accounts without margin privileges. You should ensure that there are stifficient funds in your JRA, CESA and/or ent or welfare henefit plan account(s) to complete l transactions entered or executed for your account(s) shall be subject all applicable laws, regulations and rules of governmental authorities,

soff-regulatory agencies and the constitution, rules, regulations, customs and usages of the exchange (or market) and its cleatinghouse, if any, where such transactions are executed by Morgan Santley or its agents. Such the exchange" shall in no way be construed or deemed to create a cause of constitution, rules, regulations, customs and usages of action atising from any violation of such constitution, rules, regulations customs or usages. reference to the

When you instruct us to sell "long" securities, you must nwn the securities when you place the order and you agree to make good delivery of the securities by serdenent date. You further agree that if you instruct us to sell long and we ase mashle to deliver the securities to the purchaser as a result of your failure to provide the securities to us, we are required by law, regulation to nake to purchase (i.e., "huy-ii") or borrow a security of law, kind and quantity. You also agree to be responsible for any joss which we may sustain chrough a huy-in or borrowing including any prentiums. Interest or other costs which we may be required to pay as a result of such a buy-in or borrowing or the inability to hay-in or borrow.

You agree to designate a sell order as a "short sale" if, at the time you place the order, you either do not sown that sold or or are unable to editor the scentifies being ord or are unable to editor the scentifies in a timely measure. You understand and agree that alorst sale transactions are subject to certain regulatory requirements facilitate a short salt, in which case your transaction may not be executed. You agree that Mongan Stanley may, in our discretion and withour notice to you, buy-in secutities to cover any short position in your account(s). If you are unable to cover a short position, either through the transfer of ong securities of like kind and quantity to your account(s) or through our back to the lendet, you agree to reimburse us for any losses we may sustain as a texult of your failure to deliver. certain account types. In addition, depending on market conditions, we cannot guarance that securities will be available to loan to you in order to suy-in of the securities in sufficient time to deliver the horrowed securities and cannot be executed under certain market or other conditions, or in

understand that selling securities short invulves a high degree of risk. You acknowledge that you have exacfully considered all of the factors relating to short selling and have decided that selling securities short is appropriate By designating a sell order as a "shore sale," you acknowledge and

7. Mutual Fund Share Class Conversion

Where applicable, and with prior written notice, you hereby auchurize us to instruct any mutual fund company to convert, at no cost to you, any open-ref mutual fund positione in your accountify in a share class of the same. fund that has the same or lower falerchalder services foe, pursuant to Rule 12b-1 of the Investment Company Act of 1940, as amended, so the extern available, according to any applicable share class conversion program.

You agree that, we may at any time, in our discretion, and without notice to you, decline, cancel or reverse your orders or instructions, or place trading, debusement or other restrictions on any of your accounts. We may restrict any of your accounts. We may restrict any of your accounts and/or freeze the assets in any of your accounts, you comply with a subpocna, court order, law,

9. Restrictions and Account Termination

8. Erroneous/Advance Credits

nding any representations to the conttary made by any of our If you receive a credit to your account(s) of funds or securities to which tatives, not to remove any such Erroneous Credit from your account(s) and to return the full amount of such Erroneous you are not entitled ("Exrancous Cardic"), you agree to notify us as soon as you learn of such Ertonenus Credit and you further agree, personnel or represen Credit to us.

You understand that, when a dividend or interest payment has a month-end payhel then and month-end fills on a weekend, the dividend or interest payment will be credited to your account(s) on the first business day after month-end. As a matter of brookleecping conventiones, we

CLIENT AGREEMENT (04/2018) GWMCL(EN

PAGE 4 OF 14 NY CS 9172643 D4/18

or authorized persons; (d) close the account(s) and send you all funds, monies or other Property to the address of record; (e) file an interpleader including, but nor limited to, attorneys' fees, action in any court with proper jurisdiction, in which event we shall be associated with such action. over all costs, ERISM. You acknowledge that such Advance Credit may also be reflected on our books, and otherwise, as "immediately available" or "same day" funds or by some other similar characterization. Notwithstanding any limited to, dividends and interest payments, prior to our actual receipt of payment ("Advance Credit") to the extent permissible under applicable

account(s) or any assets therein, we may refuse to accept instructions for transactions in your accounted, and we may force the assets in your accounted, and we may force the assets in your accounted, and we may force the assets in your accounted to the present withdrawals or distributions until any such disputes are trasolved on our autisfaction. You agree that, in the event we do restrict your accounts) or frazze the assets therein, Morgan Stanley shall not be lable for any damages suffered as a result, including, bur not luminel to, damages resulting from fluctuations in the market value of the securities In the event of a dispure regarding the ownership or control of your held in your account(s).

extent we do not receive final payment. If we, in our distriction, permit you to use any Advance Credit, you nonetheless shall continue to bear rhe

risk of, and liability for, our non-except of final payment in full. To the extent that final payment in full for any cash or securities credited to you is not received by us, you shall immediately reimburse us, upon demand.

such credit or characterization, all Advance Credits shall be contlingent upon our actual teceipt of final payment and may be revessed by us to the

aw, regulation or rule (including, but not limited to, the Code and/or may credit your account(s) with cash or securities, including, but not

for the amount of any Advanced Credit used, to the extent permissible, under applicable law, regulation or rule (including, but net limited to, the Cade and/or ERISM). For purposes of this section, payment will nor be final until we have received immediately available funds or securities, the receipt of which under applicable law, regulation or rule is irreversible.

and which funds or securities are not subject to any security interest, levy, other encumbrance, or adverse claim or interest.

restrict any or all services provided by Mungan Seanley to you, or, in our discretion, clost any of your accounts or resign as custodian nf any of your IRA(s) or CESA(s). You may, at any time, close any of your accounts discretion, require you to return all debit cards and unused checks to us, or to destroy them, and that we may freme any assess in any of your accounts unity you have returned all debit cards and unused checks to to, or you have anotified us in writing that all debit cards and unused checks. You agree that we may, at any time and for any reason, without notice to you, to the extent permissible under applicable haw, regulation, rule or other documents governing your accounts), terminate or otherwise. all services provided to such account(s), including, but not limited to, by giving Morgan Stanley notice. When your account(s) is closed or restricted, we may immediately cancel all open orders and terminate your ability to write checks, use your debit card, or utilize other cash management services. You understand and agree that we may, in our have been destroyed.

If you fail to return any Erroneous Caedir or Advance Credit, we may debit an amount equal to the Erroneous Credit or Advance Credit from your account, or say of the accountils) use maintain with us, and liquidate, if recessary any of your assets held by us to natisfy your obligation to return any such Erroneous Credit or Advance Credit.

and you fall to return the fall amount of the Erroneous Credit or Advance Credit to us, you will be Jishle to us, not only for the fall amount of the Erroneous Credit or Advance Credit, but also for any inverses and/or

expenses (including attorneys' fees) associated with our recovery of the Erroneous Credit or Advance Credit.

If we cannot debit the amount equal to the Erroneous Credit or Advance

Credit from your account or any other account(s) you maintain with us

Any IRA, CESA, qualified retitement or welfare benefit plan account or other account holding assecs of a "plan" as defined in Seaton 4975 of the Code Collectively, TRA, CESA, or other Retirement Account'), is not subject to a security interest, lean or right of serolof for debts owed to us

and/or our Affiliates in relation to your other accounts, but remain subje-to legal remedies for debts and obligations owed in relation to the IRA,

CESA, or other Retirement Account.

lequidated assets will not earn interest and that such liquidation may result in tax consequences for which you solely are responsible. Alternatively, we not receive your instructions regarding the disposition of assets remaining in any fit your deteod accounts, we may be unear not obligated to, individue the assets remaining and send you the amount of the reading cash balance. You understand and agoe that such liquidation may able period of time, we do may, but are not obligated to, transfer any remaining securities into your name and deliver them to you together with any remaining each balance. Upon the closing of any of your executus, or upon our declining, canceling or reversing any of your onders or instructions, or placing any trading, disbussement or other restrictions on any of your accounts. ahall he liable for any change in the value of assets in your accruants) and so markel fluctuation. In connection with a tengent to done any of your accounts, you agree to instruct our regarding the disposition of asset errasining in such accounts(s). If a firer a resumable preind of times, we do occur regardless of current marker conditions, that the proceeds of any whether done at your instruction or in our discretion, you exclusively

the account(s) and send the resulting cash balance to you and close your account(s). You understand and agenc that any such liquidation may result If your account(s) has a value of less than \$100 and no account activity permissible under other agreements applicable to your account(s), you authorize Morgan Stanley, in our discretion, to liquidate the assets in has occurred for a period of six consecutive months, to the extent in tax consequences for which you solely are responsible.

stances involving suspected fraud or

either your interests or the interests of Morgan Stanley or our Affliares.

including, but not limited to, circum

rule, regulation or other similar requirement or request, or to protect

In the event Morgan Stanley receives inconsistent instructions from any

You acknowiedge that you solely, and not Morgan Stanley, are responsible for any losses, free, costs or charges you may incur as a result of nur after all the assets remaining have been transferred or liquidated and the liquidation of the assets remaining in any of your accounts under any of the circumstances previously serforth. Your account(s) will be closed

account owner or authorized person regarding your account(s), including, but not hinted to, purpless and sale mother, including short sales, or fands of securides dishusement requests, we are authorized, in our discretion, and without incurring any liability due to fluctuating market conditions or otherwise, no of any one or one orde following (a) select which instructions to follow and which to discregard, ly suspend all activity in the account(s); (c) refuse to bay, sall or, trade any security in the account(s); (c) refuse to bay, sall or, trade any security

or commodity, and refuse to disburse any funds and/or securities except

CLIENT AGREEMENT (04/2018) GWMCLIEN

Keep This For Your Records

PAGE 5 OF 14 NY CS 9172643 04/18

Keep This For Your Records

GWMCLIEN

GWMCLIEN

proceeds delivered or paid to you. You understand and agree that, until rout account(s) is closed, your account(s) will continue to be charged notlicable fees.

You understand and agree that closing, cerminating or restricting your accountful will not affect any obligations that you may have in connection with stach account(a), including, but not limited to, the obligation to pay in securities transactions, dobit cand transactions, cluckes or any other charges. This Agreement will concline to govern markets relating to any ofyour accounts were closed, remained or testicack, or that may arke after the closing, termination on tearticion of any of your accounts.

If, after any of your accounts are closed, we receive any dividencis, interest or other payments with respect to assers previously held in your closed accounted), we will tend to you, haved on instructions you provided to tu, any such eitheridents interest or other payments, minus any anomatis owed to Mungan Kaniloy. If you have not provided us with instructions, we may liquidite out assers received and send the proceeds of such liquidations), as awell as any other payments received, minus any annotures over do Morgan Shanley, to you. You agree; that we may change to you. You agree; that we may change to you you. You agree; that we may change to you will have been also the payments of the payments of the payments.

You agree that Morgan Stanley shall have no Isahility for following Insuractions received from your oy our authorized personsist prior to Morgan Stanley receiving notice of your death, even if such instruction for followed after your death or after we receive notice of your death. You agree that, if any of your accounts is an incividual account, upon criving notice of your acquains is an incividual account, upon

You agree that, if any of your accounts is an individual account, upon receiving notice of your death and prior to the appointment of an executor at administrator, we may, in our discertion, then a my open positional held, exacted my open orders in such individual accounts, it or take any action we deem recessary to prottest your estate or Morgan Samley. You agree that Morgan Samley shall not be liable in any way for any depreciation in the value of assets in any of your accounts due to marker fluctuation subsequent to your death.

You understand and agree that when Morgan Stanley serves as the IRS-approved non-bank custedian for your IRA(s) and/or CESA(s), the applicable IRA and CESA custodial or plan documents governing these accounts specify the terms and conditions under which Morgan Stanley may regip or be removed as custodian.

10. Sweep

You acknowledge and agree that, if you are eligible, we are authorized, withour further direction from you, on automated by deposit or "sweep" all free rentit balances in your accountify into noe or more FDIC insured depository institutions affiliated with us ("Sweep Banks") up to the Deposit Maximum, as defined in the Bank Deposit Debotates Shazement, across the Sweep Banks and then into the applicable munsy market mutual fund, as set forth in more detail in the Bank Deposit Program Dickolosuse Shazement, which is available as www.mongramathey.com/wealth.exvives/bankdeposisprogram.aps a copy of "which you lively agree to be brand, You also acknowledge that a free credit balance in any Equip Plan Account that execute the Deposit Moximum will be sweep to the Sweep Banks and not a money market mutual fund. You acknowledge and understand that we may attend the list of Sweep Banks as any time with 30 days pito written notice to you. Judjeep to the Sweep Banks and mutamm draw money market to you. Subjeect to eligibility requirements, you may benefit the Pappen Program Disclosure Shazement.

You acknowledge that (i) you are responsible for monitoring the total amount of deposits you have at each Sweep Bank in order to determine the

curent of FDIC fraumance coverage available to you and (ii) Morgan Stanley is not responsible for any insured or uninsured portion of your deposits at any of the Sweep Banks.

You understand and agree that if you are not eligible for the BDR your free credit balances will be swept into the applicable money market mutual fund as detertained by Morgan Stanley. You acknowledge and agree that if you are cligible, the BJDP will be your defended sweet investment. You further acknowledge and agree that the rate of return on the BJDP may be higher or lower than the rate of return available on other available cash alternatives. Morgan Stanley is not responsible if the BJDP has a lower rate of return than other available cash alternatives. Morgan Stanley is not responsible if the BJDP has a lower rate of return than other available cash alternatives of causes any tax or other consequence.

You understand and agree that Morgan Stanley may, with 30 days prior written univer or you. (In Amele changes to out sweep terms (if) make changes or the terms and conditions of any available sweep investment; (iii) change, add or remove products available as sweep investment oppoins; and (iv) transfer your sweep investment from one sweep product on another.

You agree that if your designated sweep investment changes, Mongan Stanley may self your trainers in which saw your didnes from, your current near special stands of the special stands into your new designated oweep investment. You understand that there may be a delay because the think your chance are odd for finade are withdeavn from your current designated sweep investment and the time shares are paticisated of finals are deposited into your new designated sweep investment, and that you may not earn interest or dividends during the time your finals are not invested.

Without limiting the language are forth below, you bretchy authorize Morgan Sanaby, in our diversion, to uncannically widelawa any 1917 Adaptace as Inguisteerdon, to uncannically withdraw any 1917 accounties to cover any of your debts our digitations weed to Morgan Standey, including nover-rade related debts, such as, but not limited to, checks you have writen. You adawwhedge that Morgan Standey is further authorized to liquidite any other assets held in your accounted to a testify any such debts or obligations whenever, in our discretion, we consider it accessary for Morgan Standey's proxection and crossistems with the requirements of other account obcuments, including, but not limited to, the IRA or CESA custodial agreements and plan documents.

Fees and Charges You May Incur and Compensation Earned by Morgan Stanley

You agree to pay any account and service fees, toxes and other charges related to your accounting and authorite use o automatically debit auch fees and charges from your accountid). You agree to promptly pay any deficiency artifuing in your accountid), including any deficiency artifuing from the assessment or withholding of any are. For your invenement advisory accounts where you are charged brokerage commissions appared from and/or in addition to a managed account fee, you agree that brokerage commissions will be charged against your accounted so and will be reflected on transaction confirmations are to you. You agree that we may impose, and you will pay, a finance charge on any debit belance in your accounted, but understand and agree that we reserve the right to add or change account and service free and orther charges at any time with prior written notice to you.

You understand and agree that, as compensation for out services, Morgan Stanley may retain a proportionate share of any interest you earn on aggregate cash balances with respect to assers awaiting investment or processing ("Finat") in any of your accounts. You understand that

Floar consists of eash deposited into a Morgan Stanley account awaiting investment into the BDR a money marker mutual fund or other investment. You acknowledge that Morgan Stanley may also earn interest on the Floar.

You further understand and agree than Morgan Stanley and/or our Affiliates may earn additionals compensation through the investment of any available free cettle balances in your accounted) into any of the sweep investment options described in the "Sweep" section of this Agreement. Wour understand and addrowledge that Morgan Shanly, unay effect trades for your account(s) through exchanges, electronic communication networks ("ECN"), alternative reading systems ("MES") and similar execution systems and reading youses (collectively, "Indialing Systems"), including Thailing Systems and reading youses (collectively, "Indialing Systems"), including Thailing Systems and tadaper that; subject a all times no our obligations underapplicable law, explasion or rule to sock to obesit buse execution into out Affiliars have a direct or further Morgan Stanley and or our Affiliars have defined to the stands of the st

12. Morgan Stanley's Security Interest

As security for the payment of any amounts owed to us and/or our Affiliates by you, you grant as a fist principle on an continuing scenario interest in, and right of stead in all Property that now, or in the future, is held, carried or maintained for any purpose in or through any of your accounts with us and/or our Affiliaties, whether swoned individually, jointly or in the name of another person or entity over which you have authority or in which you have a beneficial mercest. Novetherstanding the foregoing, far any Property exerces a collisteral for any recention of credit, loan or line of exestin and/or by Morgan Stanley Private Bank, National Association or Morgan Stanley Private Bank, National Contraction with any other accounted you have with us, however any such accounted; you have with us, however any such accounted; seeming subject to debt and obligations owed in relation to any IRA, CESA, or other RASA, or other Setzier for debt and obligations owed in relation to any IRA, CESA, or other RASA, or other RAS

You agree that we may elect, in our discretion, withour notice to you, no make any order or other chipgion readed (it you accounted) immediately due and psyable, You further agree that we may; in our discretion, hold any of your Property in our peassion or control until your debts or obligations owed to us and/or our Affiliatus are fully satisfied, or we may

apply any such Propercy and/or the proceeds of the liquidation of such Property oward the statisfaction of your dries and obligations oward to us and/or our Affiliares, are we may choose to hold any such proacets at eash collasteal until your dates or obligations owed to us and/or our Affiliares are fully statisfact. Additionally, you suthernees us to transfer excess fined between any dyour accounts for any reason that does not conflict with applicable law, regulation or rule. You uniforceard that you will enain light to Aborgan Stanley and/or our Affiliares for any deficiency in any of your accounts. In enfuncting our security increast, you agree that we have the discercion to determine which Property is to be liquidated and the order in which it is to be liquidated. We also reserve all the rights and remedies available to us as a secured party under the New Yank Uniform Commercial Code.

You agree that, without our prior written and signat consent, you will not cause or allow your accounted yo may of the Property hidd therein by us and/or out Allitates, whether now wensel or hereafter acquired, to be to become abject to any liens, security interess, anorgages or recumbanees of same other than Morgan Stanley's accurity interest or the security interest of the Militates.

Whenever it is necessary far our protection to satisfy any debts or obligations need by you to us and/or our Afflitacs, we may, but are not reflected to self, assign or delever any Property in our possession or control held in any of your accounts and/or cancel any pending transaction(s) in any of your accounts. You agree to be responsible for all costs, including but not limited to commissions related to any such liquidations and/or deliveries. In addition, you agree to be responsible for all costs, including funds to cover any fees or other other or obligations owed by you to us divident our Affiliacs. You understand and agree that any such liquidation may result in tax consequences for which you are solely responsible.

You understand that we and/or our Affiliates may report any part due amount to a consumer or scentifics credit reporting agency or to a collection agency and you agree that you will be responsible for any costs, feet or other expenses we and/or our Affiliaves incur as a result of such a referral.

13. Verification and Reporting

Morgan Scauley and our Affiliates may trake inquiries to any anurce, including, but not limited to, your employer or a consumer reporting agency, regarding your identity, creditworthinese, land that of your spoul if you live in a community property state) and digibility to open or maintain an account.

You authorize us and our Affiliares to obtain copies of your consumer credit reports, at any time, for reasons including, but not limited to, the following:

- To collect a debit balance in any of your accounts;
- To investigate, detect and prevent fraud involving you, or any of your accounts;
- To help us determine whether to grant, extend or medify the terms and emditions applicable to any credit you have applied for and/or received; or
- When a deposit of funds or securities to any of your accounts is returned. You authorize us and our Affiliatus to share this information in the normal course of business. You have the right to request the name and address of any consumer reporting agency that furnished reports to us or to our Affiliare. The righs and obligations also apply to your spouse if you have in a continuity property state.

CLIENT AGREEMENT (04/2018) GWMCLIEN

GWMCLIEN

Keep This For Your Records

PAGE 7 OF 14 NY CS 9172643 04/18

Keep This For Your Records

3WMCLIEN

PAGE 6 OF 14 NY CS 9172643 04/18

CLIENT AGREEMENT 04/2018) GWMCLIEN /62

14. Cash Management Services (not applicable to all

("Cash Management Services") offered in connection with your accounts, we are authorized to debit your accounts, inmediately whenever a check, online or mobile bill payment or debit card transaction is presented for You further agree that we may adjust your Available Funds in our discretion. You understand and agree that, if there are insufficient Available Funds You understand and agree that, if you use debit card, check writing, online or nobile bill payment, or electronic funds transfer ("EFT") privileges you to officet such transactions; (iii) any securities transactions; and/or (tw) other applicable fees or changes. You understand and agree that if you have selected of books withing ant/or debit, eard privileges, but have opped out of managin a debit balance may be established in your account(s) to cover check and/or debit card transactions (including, but not limited to, funds transfers and debit eard purchases) when there are insufficient Available Funds in your account(s). You agree to pay any charges and fees including inversi charges resulting from the establishment of such a debit balance. payment, when an EFT is effected, or when any related fee or charge becomes due. You agree to maintain Available Funds sufficient to pay for (!) any checks written by you or your authorized check signers; (ii) EFTs, in your account(s) to cover any payments, transactions, fees or charges when they become dute, we have no obligation to make such payments or authorize, actoh transactions. You also understand and agree that we have no obligation to make partial payments. You agree that, if your Awalahle Funds fall below zero. Morgan Szanley may expert han defor cerminate all online or mobile bill payments and debit card transactions made by you nt any sushorized debit card holders or other individuals authorized by Cash Management Services on your account(s) and you further agree to immediately pay all amounts owed to us.

agree that, if you designate additional debit card holders, you are authorizing all debit card transactions by the person(s) to whom an additional debit card is issued. You accept all liability with respect to any debit card transactions effected by you and/or any additional debit card holder(s) and/or others you You may authorize additional debit card holders on your account(s). You permit to use the dehit card.

or multiple persons authorized to give us instructions, any one account owner or authorized person may give us instructions regarding Cash You acknowledge and agree that, if there are multiple account owners ent Services and all account owners or authorized persons ize us to comply with any such instructions.

carcellation of service or srapping of payment), we may choose, in our discretion, to honor any of the instructions, or decline to honor all of the of debit cards, or any other transactions (including instructions regarding prized persons relating to Cash Management Services, the issuance If we receive incunsistent instructions fram any account owners or

You arknowledge and agree that, we reserve the right to decline or cancel any or all of your Cash Management Services at any time, for any reason, with or without notice to you. If we decline or cancel any or all rentain responsible for the payment of any pending debits, which will be of your Cash Management Services, you understand and agree that you processed and deducted from your acco

surremention provided to you, you agree that neither Morgan Stanley, any processing bank, nor the debit card issuer will be liable for any and except as otherwise set forth in this Agreement or in other Subject to any limitations imposed by applicable law, regulation or

indirect damages or losses. You also agree that our liability in connection with online and/or mobile services is further limited by the applicable online and/or mobile services terms and conditions. To the exerst you utilize any such services you acknowledge that you are hound by the applicable terms and conditions.

also be liable for all debit eard, check, online and/or mobile transactions conducted by anyone to whom you have given access or who has obtained access, even if not authorized by you, up to applicable legal limits. Codes"), debit card(s) and checks from access by anyone not authorized by you on use them, Unless limited by applicable law, regulation or rule or as otherwise set forth in this Agreement of in other documentation provided to you, you will be responsible for any lasses that arise from you failure to asfiguard your debit card(s), checks or Security Codes and/or exview your account statements and other account nonlications for You agree to protect your personal identification numbers, telephone authorization codes, and any other account access security codes ("Secu possible unauthorized activity and to report any unauthorized activity to Morgan Stanley putsuant to the retrns of this Agreement. You will

agree to immediately crase using your debit card(s) and checks and to promptly destroy, or, if requested by us, return all debit cards and unused encles to us. You will be reaponshib for any debit card transactions that are processed due to your failure to destroy or return the debit card(s) after cancellation. You understand and agree that the use of a debit card(s) statements and other account northearious promythy to discover and report any unauthorized activity, including, but not limited to, use reyou debt out off, and checks. You must nority, Morgan Stanlor immediately if you have reason to believe that chere has been unauthorized activity in your accounts, or that your debit card(s) or checks have been loss, switer your accounts). or used by any transurborized person. If you provide varbal notification to Murgan & card and/or check writing privileges are cancelled on your account(s), you is governed by the debit card company and the issuing hank's agreement with you as well as applicable laws, regulations and rules. You understand that you are responsible for reviewing your account

You agree that the termination or dusing of your account(s) for any reason will reast in the carrellation of all Cash. Management Services, including, but not limited us, any direct deposit and direct payment processing. If your account(s) is erminated or closed, you will ternain liable for the payment of any fees or charges in your account(s), all debit card transactions, any drecks written on your account(s), and any outstanding online and/or mobile bill payments and BFT transactions, in each account(s). You also agree to instruct all initiators of direct deposit and case, whether atising before or after the termination or dosing of your direct payment transactions to inmediately cease all such activity.

A. Business Debit Cards (not applicable to all account types)

If you are authorized to act on a Business Active Assets Accountls) and you request the issuance of debit cards, you understand and agree that made by you and/or your authorized person(s) in the manner see forth in this Agreement or other agreements poverning card usage, and that you are liable for all debit card transactions made by you and your account(s) will be debited directly for all debit card transactions

You agree that you will maintain all debit careb issued for your account(s) in a secure manner, and will protect bose debit cards and all Security Coules from access by anyour not earthorised to use them. You agree that Morgan Stunley and/or the issuing bank may, when necessary, answer or

all debit card transactions will be reflected on your account statements and that no separate debit card statement will be sent by Morgan Stanley. make inquiries abour any cardholder's credit history. You understand that

You agree that debit card(s) issued for your account(s) are subject to the isions of this Agreement as well as any other agreements which

B. Check Writing and Deposits

during the field period, checks may not be written against the funds on hold and said soft binds rang not be whidthewn. Not also agree that, during the hold period, we may, it out discretion, make the funds represented by the check unavailable for the settling of securious transactions. You understand and agree that, when you deposit a check chawn on a domestic bank for credit to your accounts), in our discretion, we may place a hold on the deposit and delay oxediting your Available Funds for up to ten business days after the day the check is deposited. You will receive incress and/or dividends will be forfeited, however, if your check is returned for insufficient funds or for any other defect. You understand and agree that, and/or dividends on such held funds during the hold period. Interest

You acknowledge and agree that we are not obligated to accept cash deposits and may reject any such deposits.

Unless you opt-one of check writing privileges, your account(s) includes clack writing privileges but provide you with access to the Available. Further in your account(s). You agree that we may, in our discretion provide each check writing privileges through third parties and that can check writing privileges through third parties and that can check writing privileges through third parties and that can check writing privileges and whose of such check writing privileges and those of such third parties, as well as to applicable laws, rules and regulations,

You understand that canceled checks will not be returned to you, however, your account statements and other account notifications will include information about each check submitted for payment. You agree to review your account statements and other account notifications and alert us promprly in writing regarding any suspected errors.

authorize others to have check writing privileges on your account(s). If you authorize additional check signer(s), you are responsible for all checks written by such additional check signer(s). You understand and agree that we may, in our discretion, permir you to

You agree that requests for checks bearing more than one signature line may be fulfilled by Morgan Stanley for your convenience. You understand that our provessing bank processes mare checks by automated means based minimation encoded on the checks and that reither Morgan Stanley our nur processing bank physically examines chocks to decermine if they nor nur processing bank physically examines chocks to decermine if they are properly signed or completed. You agree that Morgan Stanley and our processing hank may rely on such automated processing and that it will be deemed an acceptable standard of care on the part of Morgan Stanley. and our processing bank. You acknowledge that any multiple signature requirement established by you on any chocks, resolutions, signature cards responsibility in connection with any such multiple signature requirement or other documentation is solely for your own internal control purposes and is not binding on us or our processing bank. You further acknot and agree that neither we not our processing bank assumes any

payment on a check written on your account(s) he stopped, such a stop payment tequest is effective only for six months from the date of the payment request. You understand that you will not receive any notificati from Morgan Stanley at the expiration of the six month stop payment period. You, solely, are responsible for the monitoring the expiration of written on your account(s), we cannot guarantee that payment on any such check will be stopped. You understand that if you request that request and that after that six month period you must renew your stop You agree that if you request that payment be stopped on any check

any stop payment requests. You agree that after any stop payment request ceases to be effective, we may process the check for payment. You further agree that we will not be liable in any way if your stop payment request

privilege on your account(s), including, but not limited to, fees for check rootdus, returned facteds and copies of cancelled checks, You may request a sacted fuel of fees by conteacting us or you may view the Mingan Scanley Welth Management Schedule of Miscellaneous Account and Service Fees online at https://www.norganssanley.com/wealth-relationshipwithmsf You agree to pay any fee that we may charge for any stop payment request. You also agree to pay all other fees associated with the check writing pdfs/account_and_service_fecs.pdf?v=1/.

You understand that you may order additional checks through our vendo or a vendot of your choice. You agree char all checks must conform to Morgan Standy's check specifications are that have well must be responsible from check processing errors as a result of your use of checks that din not conform to Morgan Nanley's check specifications. You also agree that we conform to Morgan Nanley's check specifications. You also agree that we have no obligation to pay for upplacement checks.

You agree to write checks only in U.S. dollars and you understand and agree that checks written in other currencies may be retormed, rejected and/or not honored for payment and will he subject to applicable fees.

You understand and agree that we may prohibit check writing on your account(s) in our discretion, and for any reason, including, but not limited to, prohibiting you from using checks written on your account(s) to directly or indirectly purchase accurities. You also agree that we reserve the right to delay crediting any of your accounts with the amount of any check deposited until such check has been serisfied from the Available Funds in your acc

C. Electronic Funds Transfer (EFT)

separate service agreements. These services may include our online and/or mobile bill payment service or our funds transfer service. In each case, you must agree to the separate terms and conditions governing the particular service you use to initiate EFIs. In addition, you agree that your use of EFIs to receive or transfer funds to or from your account(s) is subject to Your account(s) may be eligible for a variety of EFTs that are subject to the separate EFT disclosures provided to you,

15. Arbitration

This Agreement contains a preditpute arbitration clause. By signing an arbitration agreement the parties agree as follows:

- All parties to this Agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
- Arbitration awards are generally final and bindings a party's ability to have a court reverse or modify an arbitration award is very limited.
 - The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in The arbitrators do not have to explain the reason(s) for their award unless, in an eligible case, a joint request for an explained decision has been submitted by all parties to the panel at least 2θ days prior court proceedings.
- The panel of arbitrators may include a minotity of arbitrators who were or are affiliated with the securities industry.

to the first scheduled hearing date.

The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is inelligible for arbitration may be brought in court.

CLIENT AGREEMENT (04/2018) GWMCLIEN

GWMCLIEN

NY CS 9172643 04/18

CLIENT AGREEMENT (04/2018) GWMCLIEN

PAGE 9 OF 14 NY CS 9172643 04/18

Keep This For Your Records

GWMCLIEN

Keep This For Your Records

any amendments thereto, shall be incorporated into this Agreement The rules of the arbitration forum in which the claim is filed, and

olters into any octaology of the angent canny of present year, and olters into any predecessor or successor frame by merger, acquisition or other business combination and you, whether or not such transaction occurred in such account or accounts in the analysis of (iii) the construction, performance or breach of this or any other agreement between you and us, any furty artising from the business of Morgan Stanley or otherwise, shall be determined by adviration before, and only before, any self-regulatory organization occachange of which Morgan Shanley as a member. You may eleter which of these unbiration formus shall hear the matter by sending a regulated letter or other written communication addressed to Morgan Shanley and Solds. We York, NY 10019, Annu Legal and Campliance Division. controversies arose prior, on or subsequent to the date hereof, between you and Morgan Stanley and/or any of its present or former officers, directors, or employees concerning or arising from (i) any account If you fail to make such election before the expiration of froc (5) days after receipt of a written request from Morgan Stanley to make such election, Morgan Stanley shall have the right to choose the forum. tained by you with Morgan Stanley individually or jointly with You agree that all claims or controversies, whether such claims or

No person shall bring a putative or certified class action to arbitration. nor steck to emforce any predispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class who has not opted out of the class with respect to any claims encompassed by the putative class action until;
(i) the class certification is denied; (ii) the class is decertified; or
(iii) the person is excluded from the class by the court,

constitute a waiver of any rights under this Agreement except to the Such forbearance to enforce an agreement to arbitrate shall not extent stated herein. The statute of limitations applicable to any claim, whether brought in arbitration or in a court of computent jurisdiction shall be that which would be applied by the court in the start in writch you reside or if you do not reside in the United Stares, the statter of lunitations shall be that which would be applied by the courts in the state where the Morgan Stanley office servicing your account is located.

16. Client Qualifications

by agreeing to the torms of this Agreement either by physically signing or through frams of electronic arcestation acceptable to Mongan Stanley, you represent that you are qualified to open one or more account(s) with us. any exchange or corporatum of which an exchange owns a majority of the capital stock or an individual engaged in the business of dealing, either as a broker or as principal, in securities, bills of exchange, acceptances or Unless you advice us in writing to the contrary, you represent that neither you nor any member of your immediate family or household is an employee of any exchange, self-regulatory organization, or corporation of which an exchange owns a majority of the capital stock, or is a member of other forms of commercial paper.

a child of the spouse of a person employed by a broker-deader, who reades in the same household at, or is funutially dependent upon, the person as employed, or (4) an individual ower whose account(4) a person employed by a broker-dealer has control. You agree to immediately advise us in veriting if this expresentation is no longer accurate. If you have notified Unless you have advised us to the contrary, you represent that you are not (1) employed by a broker-dealer; or (2) the spouse of a person employed by a broker-dealer; (3) a child of a person eruployed by a broker-dealer or

us that one of the preceding four caregories does apply to you, you understand and agree that if Morgan Stanley so requests, you will provide, to with a letter of approval from the broker-dealer employer identified information relaxed to your Morgan Stanley accounts. Such authorization wall remain in effect until you or the Broken-Dealer Employet notifies us in writing that either you or the person employed by the Broker-Dealer in writing that either you or the person employed by the Broker-Dealer by you ("Broker-Dealer Employer") to open or maintain an account(s) with tus. You further agree that we are authorized by you, if requested by such Broker-Dealer Employer, to provide such Broker-Dealer Employer. nents, transaction confirmations or other Employer is no longer so employed. with duplicate account state

ownership interest in or authority over any of your accounts knowingly owns, operates or it associated with a business that uses, at least in part, the internet to receive or send information that could be used in placing. receiving, or otherwise knowingly transmitting a bet or wager and you further agnee to immediately advise us in writing if this representation is You further represent that neither you nor any other person who has an

17. Losses Due to Extraordinary Events

You agree that we are not liable for any loss caused directly or indirectly by government restrictions, laws, exchange or self-regulatory organization rules or actions, exchange or market rulings, suspension of trading, war, civil disturbances, terrorism, strikes, natural calamities, acts or omissions of exchanges, specialists, markets, clearance organizations or information providers, delays or failutes in mail deliveries, delays or inaccuracies in the transmission of orders or information, or other conditions beyond Morgan Stanley's control.

securities, we will transfer or credit to your account(s) substitute payments ("In Lieu Payments") in an amount equal to, and in the same currency as, the amount puil by the issuer. You acknowledge that the tax treatment of saver payments and it Lieu Payments may differ and, apecifically, that the reduced are rate applicable to certain dividends under U.S. law received by individuals does not apply to In Lieu Payments.

dividends or other distributions are paid by an issuer with respect to the

Margin Agreement (not applicable to all account types)

requesting magin privileges unless you advise us no the commany. You understand and algered that flyou have selected cheek writing and or debit card privileges, but have optud our of magin, a debit balance may be established in your accounted no cover check and/or other card parametrious (including, but not limited us, funds transfers and debit early purchases) when there are insufficient. Available Funds in your accounted, Magin privilegas will not be available to qui if you are not a U.S. Ferron, as defined in the account application, and will you are a resident of a jurisdiction that we deem incligable for magin pairleges. By opening your account(s) you agree that you are automatically

made by us. If you maintain both a cash account and a margin

for paymen

ent withour the actual transfer of funds or securities

Motgan Stanley may use procedures to verify your identity and that these

cedures are commercially reasonable,

In connection with any debit balance you agree that we are authorized, consistent with applicable law, regulation or rule, whenever we deem it

necessary or appropriate, in our discretion and for our protection, to:

Require additional collateral or equity from you;

You agree that, in connection with any requested margin credit advance,

between such accounts.

term or duration but are due and payable in our discretion upon a demand acrount with us, you adsnrowledge and agree that we are authorized, in our discretion, to use the equity in either type of account to sarisfy any margin

> If you utilize margin, you adcrowledge and understand that borrowing finds by suiting scottlings are collated involves a high degree of fish. You acknowledge that you have carefully considered all of the factors relating to margin horrowing and have decided than margin horrowing is riate for you.

You further agree that, if ynu utilize margin, Morgan Stanley may bornow money to lend to you and pledge your securities as collarena for such loans. You authorize Morgan Nanley to lend to itself, our Affiliaces, or to others, without notice to you, any securities in the margin credit portion of your account(s), together with all attradant rights of ownership, either separately or together with the securities of other nargin clients. In connection with such loans, as well as accurities Imms made to you to facilitate store tasks, you atthough expangen Stanley to receive and retain versata hearding, the tool limited to, increasy on your collarest pledged for such loans, In addition, you autiturize Morgan Stanley to pledged for such loans. In addition, you authorize Morgan Stanley to receive compensation in connection with such loans. You acknowledge that, in some circumstances, such loans may limit your ability to exercise orting rights and/or participate in corporate actions relating to the

Sell, assign, transfer and/or deliver any or all Property in any of your accounts (other than any IRA, CESA or other Retirement Account) in any

Buy-in or bottuw any Property of which your account(s) may be short

таппет we deem арргоргіате;

with respect to which there is a failure to deliver:

Cancel any outstanding trade orders or other commitments made on your behalf, and/or

Terminate all margin privileges granted to your account(s).

CLIENT AGREEMENT (04/2018) GWMCLIEN

PAGE 10 OF 14 NY CS 9172643 04/18

GWMCLIEN

to purchase or sell Property or to cancel orders in your accounties, shall impose upon tu any obligation to make such demand or provide such impose upon tu any obligation to make such demand or provide such impose upon tu other circumstanctes, May auth notice or betamand is hereby expressly warved by you, and no specific demand or notice given by use shall invalidate this waiver. After deducting all coust and expenses of any sale, purchase, assignment, cursific, delivery or carnellation, including, but not limited to, commissions and transfer races, we will apply the trum-index of the proceeds to the payment of any and all of your debts owed to us, and you shall emann liable for any temaning deficiency. Upon any such sale of your Property, we may purchase the whole or any part thereof free from any right of redemption. In the event of your death or incompotency, the authority given by this section shall continue to be effective and shall he · executor, personal representative, administraror, assigns matgin or notice to you of any purchase, sale, assignment ur cancellation. No demand for margin, or notice given to you of Morgan Stanley's intent Withous limiting the generality of the fracegoing, such sale, purchase, assignment, transfer, delivery or cancellation may be made, in our discretion, on any exchange or other marker where such business is then unamly transacted, are public action, or as private sale without ackretising the same. All of the above actions may be raken without demand for heneficiaries and heirs. hinding upon your actions including, but not limited to, stock splits, reverse splits and stock dividends) or by liquidating collateral and applying the proceeds to the repayment of your loans. You understand that on the date that any interest, business, separately from or tagether with all attendant rights of ownership fineduding the right to vote any such securities or receive dividends) and (iii) to use or invest any cosh resulting from our pledging, repledging. hypothecating, rehypothecating, selling, assigning, lending, commingling, transfering or otherwise using auch securities at our nown risk. You agree that we may exercise these rights without notice to you and may do so rwise transfer or use such secutities in our the margin credit portion of your account(s) shall be free from any claim satisfied by delivering securities of the same issuer, class and quantity as the secutities initially transferred (subject to adjustments for corporate You agree that we are hereby authorized, without notice to you, to take in connection with transactions involving amounts that may be greater than the amount of your loans. You agree that our use of the securities i or right of any nature whastoever, including any equity or redemption rights you may have. Our obligation to return such seemities shall be satisfied by delivering scourities of the same issuer, class and quantity as rities in the margin credit portion of any of your accounts: (i) to oald and re-register such securities in our name or in any name other my of the following actions with respect to any of your accounts or than yours, (ii) to pledge, repledge, hypothecate, rehypo assign, lend, commingle or otherwise transfer or use suc

loan must be made to Morgan Stanicy free and clear of all present and fature tasset finctulings, but not limited to withholding tuses and any estart, inheritance or death tasse which may become the upon your death), levies, imposts, duties, deductions, fees, liabilities and similar charges, except for taxes imposed by the United States on Morgan Stanley's net but they you nonetheless will be required to pay Morgan Stanley the gross amount of Interest without deduction for any such withholding car, You understand and agree that the foregoing does not constitute tax advice and that you should consult with your tax advisor regarding any taxes related to make an interese payment to Morgan Stanley, you may be requited to make a tax payment to the tax authority of the jurisdiction in which you reside, income. If you reside outside the United States, you understand that the furisdistion in which you reside rang impose a withholding to a applicable to interest payment that you may make to Moragan Stanlay with respect to a margia loan. You further understand that this mones that when you tion with any margin You also agree that all payments required in con nargin lending. You agree to pay, on demand, any balance owed to us with respect to any of your accounts, including, but not limited to, interest, countissions, and any towns of collection (including any attorneys' fixe incurred by trus). You must accounts(s), in our discretion, at any time, with or without cause, and whether by or not sach demand is made for our protection. You agree that all payments received for your accounte(s), including, but not limited to, interest, dividuals and principal, may be applied by us to any balance due in your account(s). In You understand that all margin loans made to you are not yearcife.

and that your interest rate will be based either on Mongan Asmiey's Margin Interest Rate Schreidub, that has been provided to your, and which may be amended from time to time with 30 days written notice to you ("Margin Interior Base Schedule") or on a profested margin interest rate, if you quality, You further agree that any profested margin interest rare applicable to your margin balance will expire at the end of the term indicated to you when the preferred margin interest rate became offsetive and that others then thereties. rour interest rate will be based on the Margin Interest Rate Schedule, You margin interest rate (i) at any time prior to its stated expiration, with not less than 30 days prior written notice to you, or (ii) at any time after the callateral or equity as Morgan Stanley may require. You understand and You understand that the loan value of eligible securities for the purpose of margin is subject to applicable law, regulation or rule as well as Morgan Stanfey policies. You agree that, at all times, you will maintain margin equity in your account(s) and that you will deposit additional understand and agree that Morgan Stanley may increase your preferred stated expiration of your preferred margin interest rate, without prior agree that interest will be charged on any margin balance you maint written notice to you.

agree that we may impose margin requirements on your accountls) more stringent than those required by law, regulation or rule. You further Yau neknowledge and agree that unpaid interest charges will be added to the debit balance in your account(s) for the next interest period. You

Keep This For Your Records

PAGE 11 OF 14 NY CS 9172643 04/18

CLIENT AGREEMENT (04/2018) GWMCLIEN

Keep This For Your Records

SWMCLIEN

understand and agree that such naugin requirements may be changed araft modified by us at sufficient volume to though prior touter to you. You further agree that any waiver or failure by us in promptly enfortee sets margin requirements shall not prevent us from subsequently enforcing such margin requirements with regard to your account(s). We reserve the right, in our on, to decline, restrict or terminate your margin privileges at any

A. Charities, Charitable Remainder Trusts, Charleable Lead Trusts and

charitable remainder trust, (iii) a charitable lead trust; (iv) a paivate foundation; or (vi) any other classification of taxpayer that may he adversoly affected by maintaining a margin debit in your account(s), you represent maintain a margin debit in your account(i), you agree to indemnify and hold harmless Morgan Nataley and our Affliates, employees, predecessors, successors and assigns from any and all leabilities, claims and/or demanda, incubding, but not limited to, any leabilities reasting from adverse federal or state income tax consequences that may result by reason of your that you have obtained independent rax advice concerning any potential adverse income tax consequences of maintaining a margin debt in your account(s). If you have not opted out of margin and you intend to If you are (i) a public charity under Section 501(c)(3) of the Cude; (ii) a maintaining a margin debit in your account(s).

19. Non-Purpose Loans (not applicable to all account types)

regardless of the amount of collaceral delivered to us. We may change such purpose other than purchasing, carrying or trading in securities ("Non-Purpose Loans"). Non-Purpose Loans will be made in a "good-faith" account established for such purpose in accordance with applicable laws. rules and regulations, The mittimum and maximum amount of any particular Non-Purgose Loan may be established by us, in our discretion. Upon your request, we may, in our discretion, make loans to you for a num and maximum amounts at any time without notice to you.

You agree not to use any Non-Purpose Loan proceeds to purchase, carry or trade in securities or to, directly or indirectly, repay other defor that you literar for the purpose of purchasing, carrying or trading in securities, either as Morgan Sandy or elsewhere. You further agree to execute any additional documentation we may require in connection with any Non-Purpose Loan, including, but not limited on, a Form T-A.

20. Personal Holding Companies

If you are opening an account(s) for a Personal I folding Company ("PPI-C") formed outside the United Strass, you agree that you will not place, invest or otherwise use any of your margh loan or Non-Purpose Loan proseeds in the rat particulation of any of the beneficial owners of the PHC, unless you receive permission to do so in writing from

21. Multiple Party Accounts (not applicable to all account types)

You agree that if any of your accounts is a multiple party account, each account owner will be jointly and severally liable to pay, on demand, any debt owed or amount due in the multiple party account(s). We will maintain an account mailing address designated by you as the address to sent to the account mailing address shall be deemed to have been personally received by all multiple party account owners.

You undessand and agree that each multiple party account owner has full power and authority to make purchases and sales, including short sales, to

contact information, whereabouts, health status or the identity of any legal guardian, executor, trustee or holder of any power of attorney with any address possible financial exploitation, confirm the specifies of your curva withdraw funds and/or securities, and to do anything else in connection with the multiple party account(s), either in individual or joint name. Morgan Stanley is authorized to act upon instructions received from any account owner and to accept payment and/or securities from any account owner for the credit of the multiple party account(s). Morgan Stanley any multiple party account owner and any of their accounts in order to is further authorized in its discretion to disclose any information about other multiple party account nwner.

control the multiple party account, you understand and agree that we may, in our discretion, require written instructions signed by all multiple party account towners when transactions, payments or transfers are trequested.

Any norices, communications, or any demands for funds and/or exernities sent to any multiple party account owner shall be hinding upon all Notwithstanding the ability of each multiple party account owner to multiple party account owners.

in the multiple party accountie); (c) refuse to buy, sell or trade any security and/or refuse to disburse any funds and/or securities except upon receiving written instructions signed by all of the account owners; (c) close the multiple party account(s) and send you all funds, monies or other Property or the address of records (c) file an interpladter attorn in any court with proper jurisdiction, in which evens we shall be enabled to secover from you all costs, including but not limited a attorneys fees, associated with multiple party account owners regarding the multiple party account(s), including but not clinical to, purchase and also orders, including short sales, or finish or securities disbursement requests, we are authorized, in our discretion, and without incurring any liability due to flaccuaing market: conditions at artherwise, to do any one or more of the following: (a) select which instructions to follow and which to disregard; (b) suspend all activity accounts or from any multiple parry account owner prior to distribution of finals, securities and/or Property, and costs we may incut, including, but not limited to, attorneys' fees, as the result of any dispute between and/or among the multiple parry account owners and/or their tegrascutaives on event Morgan Stanley receives inconsistent instructions from two or more such action. Morgan Stanley shall be entitled to recover from any of your Each multiple parry account owner agrees that, in the event of the death owners, In the harmless from, and indemnify Morgan Snathey against, any losses, causes of action, damages or expenses arising from, or as the result of. Morgan Stanley following the instructions, or declining to follow the Each multiple party account owner agrees to hold Morgan Stanley stent instructions, of any multiple party account heirs, relating to the multiple party account(s).

of ary multiple party account owner, the surviving multiple party account owner(s) shall innaredately give us notice thereof and we may, before or after receiving such notice, take any action, require any documentation multiple party account(s) and restrict transactions in such account(s) as we nulriple party accounts) resulting from the completion of transactions initiated patro to the teceple by us of wheren notice of the multiple party account cowner's clarib, or incurred in the liquidation of the multiple party account(s) or the adjustment of the intercass of the respective multiple. may deem necessary to protect us against any tax, liability, penalty or loss under any applicable laws, regulations or rules. The estate of any deceased or inheritance or estate tax waivers, retain any portion of the assets in the multiple party account owner shall be liable and each surviving multiple for any debt owed to us and/or our Affiliates or any amount due in the party account owners or their representatives or heirs. CLIENT AGREEMENT (04/2018) GWMCLIEN

PAGE 12 OF 14 NY CS 9172643 04/18

Keep This For Your Records

GWMCLIEN

(A) Joint Tenancy With Right of Survivorship Account

any manner releasing the decreacd account owners's carace from any liability. You bereby agree that your estate and any surviving account owners will be jointly and severally liable and will fully indemnify and hold harmless in the account shall pass to and be vested in the surviving account conner(s) putstant to the same terms and conditions as previously held, without in Morgan Stanley from all liability for any taxes, liabilities, penalties or other account owner agrees that upon the death of any account owner, all assers costs which may become due in connection with such death or any claims shall be a joint tenancy with right of survivorship. If the multiple party ownership, you hereby acknowledge that any multiple party account account(s) is a joint renancy with right of survivorship account, each Unless you instruct us to establish another form of multiple party by third parries.

(B) Community Property Account

in the community property account(s), and to make payments to either account owner of any or all funds at any time in the community property account(s) as either account owner may order and direct, even if such deliveries and/or payments shall be made to one of the account owners in bis/her individual capacity. In the event of any such deliveries of accurities under no duty or obligation to make inquiries regarding the purpose or propriety of any dennard or order for delivery of securities or payment of finals, and Morgan Stundes shall have no responsibility to determine the disposition of said securities and/or funds delivered or paid to either excount owner. The rights and powers granted to Morgan Stanley and the community property account owners herein are in lieu of all powers, rights or privileges of the community property account owners to exercise control Motgan Stanley is authorized to follow the instructions of either account nts of funds to either account owner, Morgan Stanley shall be community property interest in the community property account(s) and all assets therein pursuant to applicable laws, rules and regulations. owner in every respect concerning the community property account(s) and to make deliveries to either account owner of any or all assets held If you instruct us to establish a community property account, you acknowledge that it is the intention of each account owner to have a over the community property account(s) that may be granted to the owners under applicable state community property law, If you instruct us to establish a comm

(C) Community Property With Right of Survivorship Account

narmless Morgan Stanley from all liability for any raxes, liabilities, penalties any liability. You hereby agree that your estate and any surviving account owner will be jointly and sewerally liable and will fully indemnify and hold propercy account(s) shall he vested in the surviving community property account owner, without releasing the deceased account owners estate from community property account owner, the entire interest in the community or other costs which may be owed in connection with such death or any If you instruct us to establish a community property account with right of survivorship, in addition to the terms and conditions contained in section B immediately above, you agree that upon the death of either claims by third parties.

(D) Tenants in Common Account

If you instruct us to establish a tenants in common account, then upon our rectipt of notice of the death of any of the account owners, the interests in the tenants in common account(s) shall be distributed equally among the owner and the surviving account owners, unless you have instructed Margan Stanley otherwise. estate of the deceased account

tion of the deceased account twentr's share of the assets shall be deducted from the shate owned by the deceased account owner's estate. Any taxes, costs, expenses or other charges in connection with the

(E) Tenancy by the Entirety Account (only available in certain states)

owned as tenants by the entirety. You agree to promptly notify us if cither If you instruct us to establish an account as tenants by the entirery, you maintain your residence in a state permitting incangible property to be represent that (a) you are lawfully married to each other and (b) you

individual capacity. In the event of any such deliveries of securities or payamene of faints is out the accounts owners. Margan Steindy stall laws end duty or obligation to make inquiries regarding the purpose or propriety of any sternard or order for delivery of securities or payment of funds, and Morgan Sentary shall have no responsibility to determine the disposition of any securities and of funds, and delivered or paid to either account cowners. tenancy by the entirety account, and to make payments to either account owner of any or all funds at any time in the tenancy by the entirety account owner in every respect concerning the tenancy by the entirety account and to make deliveries to either account owner of any or all assets held in the Morgan Stanley is authorized to follow the instructions of either account as either account owner may order and direct, even if such deliveries and/or payments shall be made to one of the account owners in his/her

(F) Custodial Account

If you are a custodian of an account established under the Uniform Citits to Minots Act (UGMA) or the Uniform Transfers to Minots Act (UTMA) you represent and agree that all disbutsements made pursuant to your instructions are for latell purposes and for the exclasive use and benefit of the mitter account owner, or for relinbutseement of expenses previously incurred for lawful purposes and for the exclusive bernefit of the minor. You agree on your own behalf and on behalf of the minor account owner to indemnify and hold barmless. Morgan Stanley for following your instructions. You further agree to indemnify and hold harmless Morgan Stanley from any and all liability in connection with any disbursement from any UTMA or UCMA secount for which you are the custodian, including, but not limited to, liability resulting from any claim by the minor account owner.

22. Restricted Securities

conformity with such laws, regulations and rules. You agree to motify Morgan Sampler if you are, we become, an "fiffiliate" or "control persun" as defined by the Securities Act of 1935, or a "especiation persun" under Section 16 of the Securities Exchange Act of 1934, with respect to any securities held in your account(s). You agree to comply with all policies, procedures and documentation requirements with respect to "restricted" and/or You acknowledge that various laws, rules and regulations reparding the tessle, transfex, delivery or negocitation of securities may be applicable to transactions in your account(s). You agree that it is your responsibility to notify Morgan Stanley of any restrictions on secutities in your account(s) and to ensure that any transactions with Morgan Stanley will be in 'control" secunities.

account(s), ynu represent that, unless you notify Morgan Stanley otherwise. such securities or transactions are not subject to the laws, rules and regulations repeating "stracticed and "cortion" securities. You understand that if you ungage in transactions that are subject to any spread conditions under applicable faw, regulation or rule, those transactions may be delayed. comply with such policy and all applicable haws, regulations and rules, including, but not limited to, those pertaining to insider trading. In order for Morgan Stanley to accept orders with respect to securities in your issuet of a security, any transactions in that security may be governed by the insider trading policy of the issuer of that arcurity and you agree to You acknowledge that if you are an employee or an "affiliate" of the or canceled pending fulfillment of any such conditions. CLIENT AGREEMENT (04/2018) GWMCLIEN

Keep This For Your Records

23. Accuracy of Account Information/Updates to Account Information

investment experience, investment time horizon, lequidity needs, investment objectives and risk tolerance. You agree to promptly notify Morgan Southey of any marcial changes to the information you provide. You acknowledge and understand that Morgan Southey will tely on the accuracy of any information you provide and your agreement to promptly notify us of any material changes to that information. You agree to provide Morgan Stauley with your personal and financial information, including, but not limited to, information about your investments and financial holdings outside of Morgan Stauley, your

You further agree to promptly neatly us of any material change in your financial circumstances requiring the corganization of your liabilities or the liquidation of your assest, including, without imitation, the filting by, against or no behalf of you of a petition or other proceeding under any applicable bankruptcy or insolvency laws.

You agree to provide to us full and complex capites of any court order or any order document(s) that defines, limits or restricts the arxivity that can be conducted in your account(s). You agree to defend, indemnify and shold us harmless from any threatened to accusal claim made by a shirld party alkging that activity in your account(s) was inconsistent with or in violation of any court order or other restriction or limitation on your account(s).

24. For Persons Filing IRS Form W-9 and Living Outside the United States

You represent to Morgan Stanley that (i) your account(s) with Morgan Stanley and/or our Affliases and any Projectry therein, including income with respect to such Property has been or will be timely declared to all elevant non-United States us, authorities or that such Property is nort legally required to be declared to all relevant non-United States tax authorities and (ii) you have not been convicted of any ax crime in any non-United States jurisdiction and, to your knowledge, you are not cuttled any oughing criminal investigation by any non-United States tax authority or non-United States law enforcement agroup for alleged criminal to fraudulent conduct related to suc evasion. You acknowledge and agree that Morgan Stanley has not provided you with any cax achoice relating to any ax reporting obligation in any non-United States jurisdiction. You agree to compty with all applicable mon-United States jurisdiction. You agree to compty with all applicable mon-United States jurisdiction. You agree to compty with all applicable mon-United States jurisdiction. You agree

You agree to promptly notify Morgan Stanley in writing if any of the above Tax related representations cracs to be true.

© 2018 Morgan Stanley Smith Barney LLC. Member SIPC.

Morgan Stanley

GWMCLIEN

Keep This For Your Records

NY CS 9175348 04/18 PAGE 14 OF 14 NY CS 9172643 04/18 CLIENT AGREEMENT (04/2018) GWMCLIEN



Action

Item

Approval of Resolution for Morgan Stanley Account

Re: Transfer of Charitable Remainder Trust

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Executive Management Jeff McBride, CEO Joyce Kirchhofer, CFO

RECOMMENDATION:

The Board of Directors approves the resolution required by Morgan Stanley to open a Charitable Remainder Trust account to transfer Carr Family C.R.T. from Pomona Valley YMCA to YMCA of Orange County.

REASON FOR ACTION:

YMCA of Orange County through asset transfer agreement is acquiring all assets of Pomona Valley YMCA. Pomona Valley YMCA has a Morgan Stanley account specifically for the Carr Family C.R.T. To transfer the final assets the YMCA of Orange County needs to open an account with Morgan Stanley to transfer said funds.

FINANCIAL IMPACT AND FUNDING SOURCE:

Funds being transferred \$77,416 as of statement dated April 30, 2018





For Internal Us		
Branch No.	Financial Advisor No.	

Morgan Stanley

Authorized Persons and	Enabling		
Resolutions for Corpora	itions		
In consideration of Morgan Stanley Smith Barney LL named below, I, the undersigned duly authorized office			accounts for the corporation
1. General Information			
The full legal name of the corporation (the "Corporate Chaistian NAME OF CORPORATION OF Orange Corporation of Orange Corporation (the "Corporation of Chaistian NAME OF CORPORATION OF Orange Corporation of Corporation (the "Corporation of Chaistian of C	tion") to which this document ap HSOCIATION STATE OF INCOR	plies is: PORATION OR NON-U.S. JUR	ISDICTION
		1 6 61 6	. 16 .1
MSSB is hereby authorized to accept investment instru- individuals listed below ("Authorized Persons"). These p			
or securities) and transfers by check or otherwise to any	-	-	_
If MSSB receives conflicting instructions from different might conflict with the wishes of another Authorized and which to disregard; (b) suspend all activity in the (c) close the account and deliver all securities and other action deemed necessary to protect the interests of MS	Person, MSSB may do any of the account until written instruction er property, net of debits or liabili	following: (a) choose s signed by all Author	which instructions to follow ized Persons are received;
(ALL AUTHORIZED PERSONS MUST COMPLI		FALSO SIGNING O	N BEHALF OF THE
CORPORATION AT THE END OF THIS DOCU			
NAME OF MC Bride	PRIMARY RESIDENCE: ADDRESS		
SETHATURE	SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE
Jayce Kirchhofeer	PRIMARY RESIDENCE: ADDRESS		
SIDARTURE	SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE
HEATE	PRIMARY RESIDENCE: ADDRESS		
SIGNATURE	SOCIAL SECURITY NUMBER	DATE OF BIRTH	tros
WAME	PRIMARY RESIDENCE: ADDRESS		
NAME SIGNATURE	PRIMARY RESIDENCE: ADDRESS SOCIAL SECURITY NUMBER	DATE OF BIRTH	TITLE



Advisor No.

3. Enabling Resolutions

The following is a full, true and correct copy of Resolutions duly and regularly adopted by vote of the Board of Directors of the Corporation. Such Resolutions have not been rescinded or modified and are in full force and effect.

RESOLVED:

FIRST, that the Authorized Persons are, and each of them hereby is, authorized and empowered to the fullest extent possible, to act on behalf of the Corporation, to establish and maintain with MSSB one or more cash accounts, margin accounts, BusinesScape accounts, commodities accounts, or any other type of account offered by MSSB and its applicable affiliates ("Account"), for the purpose of purchasing, investing in, or otherwise acquiring, selling (including short selling), possessing, transferring, exchanging, borrowing, pledging or otherwise disposing of, and generally dealing in and with, cash and any and all forms of securities and financial instruments, including, but not limited to shares, stocks, bonds, debentures, notes, scrip, participation certificates, rights to subscribe, options, warrants, futures, commodities, commodity futures and/or options on futures, certificates of deposits, mortgages, evidence of indebtedness, commercial paper, and interests of any and every kind and nature whatsoever, secured and unsecured, whether represented by trust, participating and/or other certificates or otherwise.

SECOND, that, without obligation on MSSB's part to inquire, instructions or actions, by any Authorized Person shall individually have the fullest authority on behalf of the Corporation with respect to the Account including, but not limited to, authority to:

- 1) give written or oral instructions to MSSB with respect to any securities in, or transaction or service offered in connection with, the Account;
- 2) deposit or withdraw money, securities and other property of the Corporation to and from the Account;
- 3) borrow money from MSSB and secure payment thereof with the property of the Corporation;
- bind the Corporation to any contract, arrangement or transaction, which shall be entered into by any Authorized Person with or through MSSB;
- 5) make payments related to the Account by checks and/or drafts drawn upon the funds of the Corporation;
- 6) endorse any securities in order to pass ownership thereof or for any other purpose;
- 7) direct the sale or exercise of any rights with respect to securities therein;
- 8) sign releases and powers of attorney and enter into contracts and agreements, including but not limited to any MSSB account agreements and documentation relating to any debit or credit card, the checkwriting privilege, online services, electronic fund transfers and other services which are or may be offered in connection with the Account (where available), as such documents may be modified from time to time, and any documentation permitted or contemplated by such agreements, products and services, and to affix the corporate seal to same when necessary;
- 9) direct MSSB to surrender securities to the proper agent or party for the purpose of effecting any exchange or conversion, or otherwise; and 10) take any and all action action in connection with the Account deemed necessary or desirable by any Authorized Person.

THIRD, that any Authorized Person may appoint any person(s) ("Designated Persons") to: (1) conduct trading in the Account; (2) endorse any securities, or to make, execute and deliver, under the corporate seal of the Corporation or otherwise, any instrument of assignment and/or transfer necessary or proper to pass title to such securities; (3) sign checks (in which event, the signature of the Designated Person shall promptly be provided on any applicable signature card upon request by MSSB); (4) use any associated debit or credit card (where available); or (5) provide instructions to effect electronic fund transfers.

FOURTH, that each Authorized Person is empowered and authorized to do all things each deems necessary or desirable to implement the foregoing Resolutions.

FIFTH, that MSSB may deal with any and all of the persons directly or indirectly empowered by foregoing Resolutions as though they are dealing with the Corporation directly.

For Internal Use Only

Branch No.

Account No.

Financial Advisor No.

SIXTH, that the Secretary of Corporation (or other duly designated officer) is hereby authorized and empowered to certify to MSSB, under the seal of the Corporation or otherwise:

- (a) a true, correct and complete copy of these Resolutions;
- (b) specimen signatures of each Authorized Person and each Designated Person empowered by these Resolutions, if so requested by MSSB;
- (c) a certificate (which, if required by MSSB, shall be supported by an opinion of the general counsel of the Corporation, or other counsel satisfactory to MSSB) that the Corporation is duly organized and in good standing, that the corporate charter authorizes the action or business described in these Resolutions, and that no limitation has been imposed upon such powers by constitution, statute, regulation, charter, by-law or otherwise.

SEVENTH, that MSSB may rely upon any certification given in accordance with these Resolutions as continuing fully effective unless and until MSSB shall receive due written notice of an amendment, modification or rescission of such Resolutions or certification. Further resolved that MSSB shall not be liable for any action taken or not taken upon instruction of any Authorized Person or Designated Person prior to MSSB's actual receipt of written notice of the termination or impairment of such person's authority. The failure to supply any specimen signature shall not invalidate any transaction which is in accordance with authority previously granted. Further resolved that the Corporation shall indemnify and hold harmless MSSB and any of its subsidiaries and affiliates from any and all claims that a transaction was unauthorized or outside the scope of the Corporation's powers, if such transaction was authorized by any of the Authorized Persons or Designated Persons.

EIGHTH, that in the event of any change in the office or powers of persons hereby empowered, the secretary (or other duly designated officer), shall certify such changes to MSSB, in writing, which certification, when MSSB receives it, shall terminate the powers of the persons previously authorized and empower the persons thereby substituted in accordance with all the provisions of these Corporate Resolutions.

NINTH, that the Corporation hereby authorizes MSSB to charge any amount due to MSSB under any arrangement with the Corporation, against any or all of the accounts and other property of the Corporation held with MSSB or any of its affiliates, with the Corporation remaining liable for any deficiency and each Authorized Person or Designated Person is authorized and directed to pay to MSSB by checks and/or drafts drawn upon the funds of the Corporation such sums as may be necessary to discharge the Corporation's obligations to MSSB.

TENTH, Corporation agrees that MSSB may apply these Resolutions to any accounts in the name of the Corporation.

The following three (3) resolutions are applicable only to Native American Tribes:

ELEVENTH, that Section 15 of the Client Agreement is modified to include the following language: The Tribe agrees:

- (a) that binding arbitration shall be the exclusive formal remedy for all disputes, controversies or claims between the Tribe and MSSB, including its agents, assigns or Affiliates (collectively, "MSSB"), as further described in Section 15 of the Client Agreement;
- (b) that such arbitration shall provide final and binding resolution of any dispute between the parties;
- (c) that the Tribe expressly and irrevocably waives its immunity from suit as well as its rights to seek or exhaust tribal remedies and that the waiver granted herein includes the arbitration of disputes as contemplated by Section 15 of the Client Agreement, as well as any actions in any court of competent jurisdiction to compel arbitration and to enforce an arbitration award;
- (d) that the waivers of sovereign immunity and of the right to demand exhaustion of tribal remedies shall survive the expiration, termination or cancellation of the Client Agreement; and
- (e) that, if enforcement of an arbitration award or a judicial order becomes necessary by reason of failure of one or both parties to voluntarily comply, the Tribe waives its sovereign immunity from any final judgment or order of a court of competent jurisdiction enforcing an arbitration award.

For Internal I	Use Only	
Branch No.	Account No.	Financial Advisor No.

TWELFTH, that the Tribe certifies that none of the monies, securities, funds or other property invested or to be invested by the Tribe in accordance with the Client Agreement and this resolution, or paid or to be paid to MSSB in accordance with the Client Agreement and this resolution, constitute (a) funds held by the United States in trust for the Tribe or for members of the Tribe, or (b) funds obtained by the Tribe from the United States of America or any State government or agency for the purpose of carrying out projects or programs specified by the United States of America or any State government or agency, other than funds received by the Tribe, pursuant to one or more guarantee contracts with the United States Department of Housing and Urban Development ("HUD"), for the purpose of funding affordable housing activities under the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4101 et seq.).

THIRTEENTH, that the Tribe certifies, to the extent the Tribe is investing funds that are part of a tribal trust fund for minor members of the Tribe or subject to the requirements of a tribal trust fund or a HUD depository agreement, that investment instructions provided by the Tribe to MSSB with respect to such funds will comply with all legal requirements applicable to such funds.

4. Certification of the Duly Authorized Officer of the Corporation

I hereby certify that I am the Duly Authorized Officer of the Corporation named above, a corporation duly organized and existing under the laws of the State of Incorporation or other non-U.S. jurisdiction, that the Corporation is in good standing and qualified to do business in this state or other non-U.S. jurisdiction. I further certify that the Resolutions herein are a true, correct and complete copy of Resolutions duly adopted at a meeting of the Board of Directors of the Corporation held on the date specified below, at which meeting a quorum was present and voting; that such Resolutions are in accordance with the charter and by-laws of the Corporation, are in full force and effect and have not been amended, modified or rescinded.

IN WITNESS WHEREOF, I have hereunto affixed my hand (and the seal of the Corporation).

PRINT NAME OF DUCK AUTHORIZED OFFICER		
SIGNATURE OF DULY AUTHORIZED OFFICER	DATE (MM/DD/YYYY)	DATE OF MEETING OF BOARD OF DIRECTORS
5. Authority of the Corporate Duly Authorized	l Officer	
The Corporation certifies that the Corporate Duly elected to and now holds that office and that the si		
PRINT NAME OF CERTIFYING PARTY	TITLE OF CERTIFYING PA	ARTY
SIGNATURE OF CERTIFYING PARTY	DATE (MM/DD/YYYY)	

© 2014 Morgan Stanley Smith Barney LLC. Member SIPC.



AUTHORIZED PERSONS AND ENABLING RESOLUTIONS FOR CORPORATIONS (12/2014) NNAAAER

NNAAAER

NAO

PAGE 4 OF 4 NY CS 8060860 12/14



Action

Item

Approval of Resolution Re: Updating the signators for the Bahnsen Hightower Investment Account

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Rosanna Coveyou, Chair Jeff McBride, President, CEO Joyce Kirchhofer, CFO

RECOMMENDATION:

The Board of Directors approves the resolution for Bahnsen Group Hightower Advisors updating the signators for the investment account and future transactions as deemed necessary.

REASON FOR ACTION:

The financial institutions require Board approval of the authorized signers for establishment of and transactions for the investment accounts. This Resolution adds Rosanna Coveyou, Board Chair as signator to the investment account.

FINANCIAL IMPACT AND FUNDING SOURCE:

None





Amendment to the Corporate Resolution

Account Owner(s) ("You") use this form to add or remove Authorized Individuals from your account at Fidelity Investments. Type on screen or print out and fill in using CAPITAL letters and black ink. If you need more room for information or signatures, use a copy of the relevant page.

Helpful To Know

- This form is for corporate and unincorporated business entities only
- If the account has checkwriting, include a completed Check Card and Checkwriting Form with this form to update the signers for the account
- If the account has options trading, include a new Options Application
- Any Authorized Individual identified on this form can enroll the account in eDelivery

Authorized Agent/Advisor							
HIGHTOWER	G : 1	7	1	0	8	7_:	5 0

1. Account Information

Legal Name of Business or 0	Organiza	ation																	Name of state where organized
YOUNG MEN'S	CHR	IS1	ΓΙΑΙ	NΑ	SS	OC	ΙAΊ	ΓΙΟΙ	V O	FC)R/	AN(GΕ	CC)U	NT	Y		CA
Required	Тахра	yer l	D Nu	mber	-				Day	time	Phon	e							Ext
SSN 🗹 TIN	9	5	1	6 4	1 4	1 0	5	5 5	7	1	4	5	0	8	7	6	1	2	
sported to the																			

*SSN if sole proprietor with no TIN.

Permanent Address of Account

Address (Required – Cannot be a Post Office Box)			
13821 NEWPORT AVENUE, SUITE 200			
City	State/Province	Zıp/Postal Code	Country
TUSTIN	CA	9 2 7 8 0	USA

Mailing Address of Account

Complete only if different
from Permanent Address.

Address				
Na.	Santo (Barrella an	Tra /D-stol Carlo	Country	
City	State/Province	Zipi rostai Code	Country	ı

Resolutions and Signature of Certifying Officer

Certifying Officer

By signing below, you certify all items that apply to your type of entity and registration are true, you make all authorizations indicated, and you affirm that you are authorized to make those representations.

All Business Entities

 Each Authorized Individual named in this form is fully authorized to open a brokerage account in the name of the business entity identified as the owner in this form, to place orders on the account and to execute any instrument incidental to that (such as applying for margin or options), to act in a sole capacity in these regards, and to act on behalf of the business entity as may be more fully described in the customer agreement.

- Fidelity may obtain credit or other financial responsibility reports with respect to any Authorized Individual. All individuals who may be the subject of these reports have been notified of this possibility.
- You are an officer of the business entity who is authorized to make these certifications on

behalf of the business entity, and to express the consent of all Authorized Individuals to Fidelity's right to obtain financial reports concerning them.

Corporations Only

 Each Authorized Individual named in this form has been duly appointed.

Name of Certifying Officer First, M.I., Last	Trtle	
MICHAEL HAHN	SECRETARY	
Signature of Certifying Officer		Date MM - DD - YYYY
Ngig		

2. Authorized Individual

If you are using this form to add Authorized Individuals to this account, complete the information below in its entirety for each of the individuals. To remove Authorized Individual(s), indicate the individual below and then proceed to Section 4. Note: Unless otherwise indicated, existing individuals on your account will not be affected and will retain their current authorizations. Remove (only First Name, Middle Name, Last Name is required) Middle Name Last Name To add or remove First Name more individuals, **ROSANNA** COVEYOU duplicate this section. Date of Birth MM DD YYYY U.S Driver's License Number of applicable Social Security/Taxpayer ID Number Required Additional paperwork **SSN** □ TIN may be required if the C A individual is an entity. Evening Phone Dayume Phone Institution Name 9 4 9 6 8 0 9 2 2 8 E-mail* RCOVEYOU@GMAIL.COM U.S. Mail - Please send the following document types to me by U.S. mail instead of electronically: Monthly Account Statements I Immediate and Quarterly Trade Confirms Prospectuses, other financial reports, etc. *Fidelity will use this e-mail address for electronic delivery of account documents. Unless U.S. Mail is checked for all document types, you will receive a follow-up e-mail from Fidelity and will need to consent to begin receiving documents electronically. See Section 3 for more information regarding eDelivery. Your Permanent Address Address (Required - Cannot be a Post Office Box) State/Province Zip/Postal Code Country CA 9 2 6 7 6 USA LAGUNA NIGUEL Your Mailing Address Address Complete only if different from Permanent Address. State/Province Zip/Postal Code Country **U.S. Citizens** U.S. Citizen and tax resident Skip to Employment Information. Foreign Citizens Check one. Permanent U.S. Resident Non-Resident of U.S. Non-Permanent U.S. Resident Country of Citizenship Country of Tax Residency Country of Birth City of Birth State/Province of Birth Government Identification Attach copy of the U.S. Driver's License Employment Authorization Document Passport with U.S. Visa unexpired Government ID

(continued on next page)

Passport without U.S. Visa

State If dnver's license

DHS Permanent Resident Alien Card

ID Number Not required for U.S. driver's license

showing number

and photo.

☐ Foreign National Identity Document

Country of Issuance If not U.S.

(continued)

2. Authorized Individual

Employment Informatio Check one.				-
Crieck one.	Elipioyea Elipioyea Eliketica	1		
	Occupation	Income Source	If retired or not empl	oyed
	Employer Name	<u> </u>		Employer's Taxpayer ID Number
	LAGUNA COVE, INC.			
	Address			
	567 SAN NICOLAS DR, STE. 230			
	City	State/Province	Zip/Postal Code	Country
	NEWPORT BEACH	CA	9 2 6 6	0 USA
Affiliations				
Check all that apply. If you are affiliated, include the compliance officer's letter of approval ("407 letter") and indicate your company's name and address here.			mber firm of an	exchange or Financial Regulator
Failure to include an approval letter may delay the processing of your request. We must tell your employer you have applied	Public Company Affiliations	State/Province	Zip/Postal Code	Country
for this account.	You are a control person or affiliate or an imm of a publicly traded company under SEC Rule shareholder, policy-making officer, and memb	144 (this would incl	ude, but is not li	a control person or associate mited to, a director, 10%
	Company Name			CUSIP or Symbol
	Company Name			CUSIP or Symbol

3. Electronic Delivery

By providing your e-mail address in this form, you have elected to receive Statement, Trade Confirmation, Prospectuses, Financial Reports and other documents electronically. If you do not want any of these document types to be delivered to you electronically, you can choose U.S. Mail delivery for that document type.

By receiving documents electronically, you may be eligible for reduced trading commissions. Please consult your Authorized agent/Advisor for more details. In order to begin receiving documents electronically, you will need to read the Electronic Delivery Agreement and agree to its terms. You will receive this agreement at the e-mail address you provide.

Please note:

- Your delivery preferences are applied across all Fidelity accounts owned by you based upon your most recent election. Therefore, your choice of electronic or paper delivery
- for this new account will be applied to all accounts unless you elect otherwise in the future. Any individual listed as an Authorized Individual can enroll in electronic delivery to suppress mailed documents for this account.
- The e-mail address provided should not be your Authorized agent/Advisor's e-mail address.
- This e-mail address will replace any existing e-mail address already on our system.

4. Signatures and Dates Form cannot be processed without signatures and dates.

Signatures of Authorized Individuals Being Added to This Account

By signing below, you acknowledge and agree that:

- To help the government fight money laundering and the funding of terrorism, federal law requires Fidelity to obtain your name, date of birth, address, and a government-issued ID number before opening your account, and to verify the information. In certain circumstances, Fidelity may obtain and verify comparable information for any person authorized to make transactions in an account or beneficial owners of certain entities. Further documentation may be required for certain entities. Your account may be restricted or closed if Fidelity cannot obtain and verify this information. Fidelity will not be responsible
- for any losses or damages (including, but not limited to, lost opportunities) that may result if your account is restricted or closed.
- Your authorized agent/Advisor or Fidelity
 has provided to you a complete copy of the
 Client Account Agreement that governs the
 brokerage account on which you are being
 authorized and you have read, understood
 and agree to the terms as they are today and
 as they may be amended in the future.
- You are at least 18 years of age, of full legal age in the state in which you reside, and fully authorized to act on this account.
- All information about you and any other authorized individual is true, accurate, and complete, to the fullest extent of your knowledge, including information about securities industry affiliations, which you answer under penalties of perjury.
- If you have not checked the box for Affiliations, you represent and warrant that you are not affiliated with or employed by a stock exchange or a broker-dealer or you are not a control person or affiliate or a public company under SEC Rule 144 (such as a director, 10% shareholder, or a policy-making officer), or an immediate family or household member of such a person.

Authorized Individual(s) Signature(s)

All Authorized Individual(s) being added to this account with this form or any attached duplicated pages must sign below. If two or more individuals, duplicate and attach Section 2 for each individual and sign below.

Signature and Date Required.

Print Name of Authorized Individual First, M.I., Last JEFF MCBRIDE	
Authorized Individual Signature	Date MM - DD - YYYY

Print Name of Authorized Individual First, M.I., Last	
ROSANNA COVEYOU	
Authorized Individual Signature	Date MM - DD - YYYY
NBIS	

Print Name of Authorized Individual First, M.I., Last	
JOYCE KIRCHHOFER	
Authorized Individual Signature	Date MM - DD - YYYY
SIGN	

Print Name of Authorized Individual First, M.I., Last	
JULIETTE MEUNIER	
Authorized Individual Signature	Date MM - DD - YYYY
SIGN	•

Fidelity Brokerage Services LLC, Member NYSE, SIPC

1.911760.100 - 598162.1.0 (12/11)





Action

Item

Approval of Resolution Re: Removing the signator of former Board Chair from Bahnsen Hightower Investment Account

YMCA OF ORANGE COUNTY BOARD OF DIRECTORS ACTION ITEM

FOR BOARD ACTION ON:

Thursday, May 24, 2018

RECOMMENDED BY:

Rosanna Coveyou, Chair Jeff McBride, President, CEO Joyce Kirchhofer, CFO

RECOMMENDATION:

The Board of Directors approves the resolution for Bahnsen Group Hightower Advisors removing Christy Lewis as a signator for the investment account and future transactions as deemed necessary.

REASON FOR ACTION:

Christy Lewis has been removed from the account effective March 21, 2018 and this Resolution is required to formalize that action.

FINANCIAL IMPACT AND FUNDING SOURCE:

None





ccount Number

Amendment to the Corporate Resolution

Account Owner(s) ("You") use this form to add or remove Authorized Individuals from your account at Fidelity Investments. Type on screen or print out and fill in using CAPITAL letters and black ink. If you need more room for information or signatures, use a copy of the relevant page.

Helpful To Know

- This form is for corporate and unincorporated business entities only
- If the account has checkwriting, include a completed Check Card and Checkwriting Form with this form to update the signers for the account
- If the account has options trading, include a new Options Application.
- Any Authorized Individual identified on this form can enroll the account in eDelivery

Authorized Agent/Advisor	T				-				_
HIGHTOWER	G	1	7	1	0	8	7	5	0
		-							

1. Account Information

Legal Name of Business or Organization												Name of state where organized								
YOUNG MEN'S	CHF	RIS	TIA	M	AS	SC)Cl	AT	ON	I OF	- 0	RA	N	ЭE	CC	U	VT)	1		CA
Required	Тахр	ayer	DN	umb	eı,					Dayt	ime f	hon	е							Ext
SSN 🗹 TIN	9	5	1	6	4	4	0	5	5	7	1	4	5.	0	8	7	6	1	2	

*SSN if sole proprietor with no TIN.

Permanent Address of Account

Address (Required - Cannot be a Post Office Box)					
13821 NEWPORT AVENUE, SUITE 200					
City	State/Province	Zip/Postal Code	Country		
TUSTIN	CA	9 2 7 8 0	USA		

Mailing Address of Account

Complete only if different from Permanent Address.	Address			
	City	State/Province	Zip/Postal Code	Country

Resolutions and Signature of Certifying Officer

Certifying Officer

By signing below, you certify all items that apply to your type of entity and registration are true, you make all authorizations indicated, and you affirm that you are authorized to make those representations.

All Business Entities

Each Authorized Individual named in this
form is fully authorized to open a brokerage
account in the name of the business entity
identified as the owner in this form, to
place orders on the account and to execute
any instrument incidental to that (such as
applying for margin or options), to act in a
sole capacity in these regards, and to act on

behalf of the business entity as may be more fully described in the customer agreement.

- Fidelity may obtain credit or other financial responsibility reports with respect to any Authorized Individual. All individuals who may be the subject of these reports have been notified of this possibility.
- You are an officer of the business entity who is authorized to make these certifications on

behalf of the business entity, and to express the consent of all Authorized Individuals to Fidelity's right to obtain financial reports concerning them.

Corporations Only

 Each Authorized Individual named in this form has been duly appointed.

Name of Certifying Officer First, M.I., Last	Tide
MICHAEL HAHN	SECRETARY
Signature of Certifying Officer	Date MM - DD - YYYY
NBIGN	

2. Authorized Individual

If you are using this form to add Authorized Individuals to this account, complete the information below in its entirety for each of the individuals. To remove Authorized Individual(s), indicate the individual below and then proceed to Section 4. Note: Unless otherwise indicated, existing individuals on your account will not be affected and will retain their current authorizations.

	Authorized Individual 🔲 Add 🗹	Remove (only Fi	rst Name, Mic	ldle Name, Last I	Name is required)
To add or remove	First Name	Middle Name		Last Name	
more individuals, duplicate this section.	CHRISTY			LEWIS	
Additional paperwork	Required Social Security/Taxpayer ID Num	nber Date of	Birth MM DD YYY		er's License Number if applicable State
may be required if the	□ SSN □ TIN	1 2	0 8 1 9	7.8	
individual is an entity.	Institution Name Evening	g Phone		Daytime Phone	Ext.
				7 1 4 5	8 1 8 8 0 8
	E-mail*				
	U.S. Mail - Please send the following do	cument types to	me by U.S. n	nail instead of ele	ectronically:
	☐ Monthly Account Statements ☐ Immed	liate and Quarterly	Trade Confirms	Prospectuses	, other financial reports, etc.
	*Fidelity will use this e-mail address for electronic del follow-up e-mail from Fidelity and will need to conse	livery of account docu	ments. Unless U.S	. Mail is checked for all	I document types, you will receive a
	ionow-up e-mail nonvituelity and will need to conse	int to begin receiving	oocomeng elect	orneany. See Section S	to more mornation regarding exervery.
Your Permanent Address	3				
	Address (Required - Cannot be a Post Office Box)				
			C: . ID	la m . t.a i	
	City	:	State/Province	Zip/Postal Code	Country
		l			
Your Mailing Address	Address				
Complete only if different from Permanent Address.	Address				
	City		State/Province	Zip/Postal Code	Country
	L				
J.S. Citizens					
	U.S. Citizen and tax resident Skip to En	nolovnent Informatio	p.		
oreign Citizens	Old Old En and Expedit Supre En	npicyment micimatic	41.		
Check one.	Permanent U.S. Resident	☐ Non-Perma	anent U.S. Res	sident [Non-Resident of U.S.
	Country of Citizenship		Country of Ta	x Residency	
	Country of Birth		City of Birth		State/Province of Birth
	Government Identification				
Attach copy of the	U.S. Driver's License	☐ Employme	nt Authorizati	on Document	Passport with U.S. Visa
unexpired Government ID showing number and photo.	☐ DHS Permanent Resident Alien Card ☐ Foreign National Identity Document ☐ Passport without U.S. Visa				
	ID Number Not required for U.S. driver's license	Country of Issua	nce If not U.S.		State If driver's license
		-			

(continued on next page)

1.911760.100

Page 2 of 4

027870002



(continued)

2. Authorized Individual

Employment Information	1					
Check one.	☐ Employed ☐ Not Employed ☐ Retired					
	Occupation					
	Employer Name			Employer's Taxpayer ID Number		
	Address					
	City	State/Province	Zip/Postal Code	Country		
Affiliations			1.			
Check all that apply.	Securities Industry Affiliations		mbariim afan	evekange av Eineneiel Peruleteru		
	Check all that apply. You are affiliated with, or employed by, a stock exchange or a member firm of an exchange of Authority (FINRA), or a municipal securities dealer. Same as employer above.					
If you are affiliated, include the compliance officer's letter of approval ("407	Entity Name					
letter") and indicate your company's name and address here.	Address					
Failure to include an approval letter may delay the processing of your request. We must tell your employer you have applied for this account.	City	State/Province	Zip/Postal Code	Country		
	Public Company Affiliations You are a control person or affiliate or an immediate family/household member of a control person or associate of a publicly traded company under SEC Rule 144 (this would include, but is not limited to, a director, 10%					
	shareholder, policy-making officer, and members of the board of directors).					
	Company Name			CUSIP or Symbol		
	Company Name			CUSIP or Symbol		

3. Electronic Delivery

By providing your e-mail address in this form, you have elected to receive Statement, Trade Confirmation, Prospectuses, Financial Reports and other documents electronically. If you do not want any of these document types to be delivered to you electronically, you can choose U.S. Mail delivery for that document type.

By receiving documents electronically, you may be eligible for reduced trading commissions. Please consult your Authorized agent/Advisor for more details. In order to begin receiving documents electronically, you will need to read the Electronic Delivery Agreement and agree to its terms. You will receive this agreement at the e-mail address you provide.

Please note:

- Your delivery preferences are applied across all Fidelity accounts owned by you based upon your most recent election. Therefore, your choice of electronic or paper delivery
- for this new account will be applied to all accounts unless you elect otherwise in the future. Any individual listed as an Authorized Individual can enroll in electronic delivery to suppress mailed documents for this account.
- The e-mail address provided should not be your Authorized agent/Advisor's e-mail address.
- This e-mail address will replace any existing e-mail address already on our system.

4. Signatures and Dates Form cannot be processed without signatures and dates.

Signatures of Authorized Individuals Being Added to This Account

By signing below, you acknowledge and agree that:

- To help the government fight money laundering and the funding of terrorism, federal law requires Fidelity to obtain your name, date of birth, address, and a government-issued ID number before opening your account, and to verify the information. In certain circumstances, Fidelity may obtain and verify comparable information for any person authorized to make transactions in an account or beneficial owners of certain entities. Further documentation may be required for certain entities. Your account may be restricted or closed if Fidelity cannot obtain and verify this information. Fidelity will not be responsible
- for any losses or damages (including, but not limited to, lost opportunities) that may result if your account is restricted or closed.
- Your authorized agent/Advisor or Fidelity
 has provided to you a complete copy of the
 Client Account Agreement that governs the
 brokerage account on which you are being
 authorized and you have read, understood
 and agree to the terms as they are today and
 as they may be amended in the future.
- You are at least 18 years of age, of full legal age in the state in which you reside, and fully authorized to act on this account.
- All information about you and any other authorized individual is true, accurate, and complete, to the fullest extent of your knowledge, including information about securities industry affiliations, which you answer under penalties of perjury.
- If you have not checked the box for Affiliations, you represent and warrant that you are not affiliated with or employed by a stock exchange or a broker-dealer or you are not a control person or affiliate or a public company under SEC Rule 144 (such as a director, 10% shareholder, or a policy-making officer), or an immediate family or household member of such a person.

Authorized Individual(s) Signature(s)

All Authorized Individual(s) being added to this account with this form or any attached duplicated pages must sign below. If two or more individuals, duplicate and attach Section 2 for each individual and sign below.

Signature and Date Required.

Print Name of Authorized Individual First, M.I., Last		Print Name of Authorized Individual First, M.I., Last			
JEFF MCBRIDE		JULIETTE MEUNIER			
Authorized Individual Signature	Date MM-DD-YYYY	Authorized Individual Signature	Date MM - DD - YYYY		
Print Name of Authorized Individual First, M.I., Last JOYCE KIRCHHOFER		Print Name of Authorized Individual First, M.I., Last			
Authorized Individual Signature	Date MM - DD - YYYY	Authorized Individual Signature	Date MM - DD - YYYY		

Fidelity Brokerage Services LLC, Member NYSE, SIPC

1.911760.100 - 598162.1.0 (12/11)

