

# ***SUPPLEMENTAL INFORMATION***

Please review and keep for your records. Do not mail with the application.

## **Custodial Agreements and Disclosure Statements**

### **Fidelity Brokerage Retirement Customer Account Agreement**

About This Agreement

Account Features

Account Policies

Disclosures

### **Privacy Policy**

### **Notices**

### **Commission Schedule and Schedule of Fees**

### **Fidelity Mutual Fund Prospectus**



Smart move.®

# Fidelity Roth IRA

Fidelity Roth Individual Retirement Account  
Under Section 408A of the Internal Revenue Code

The Depositor whose name appears on the accompanying Application is establishing a Roth individual retirement account (Roth IRA) under Section 408A to provide for his or her retirement and for the support of his or her beneficiaries after death. The Custodian named on the accompanying Application has given the Depositor a Disclosure Statement required under Regulations Section 1.408-6. The Depositor has deposited with the Custodian an initial contribution, as set forth in the accompanying Application. The Depositor and the Custodian make the following Agreement:

## Article I

Except in the case of a rollover contribution described in section 408A(e), a recharacterized contribution described in section 408A(d)(6), or an IRA Conversion Contribution, the Custodian will accept only cash contributions up to \$3,000 per year for tax years 2002 through 2004. That contribution limit is increased to \$4,000 for tax years 2005 through 2007 and \$5,000 for 2008 and thereafter. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$3,500 per year for tax years 2002 through 2004, \$4,500 for 2005, \$5,000 for 2006 and 2007, and \$6,000 for 2008 and thereafter. For tax years after 2008, the above limits will be increased to reflect a cost-of-living adjustment, if any.

## Article II

**1.** The annual contribution limit described in Article I is gradually reduced to \$0 for higher income levels. For a single Depositor, the annual contribution is phased out between adjusted gross income (AGI) of \$95,000 and \$110,000; for a married Depositor filing jointly, between AGI of \$150,000 and \$160,000; and for a married Depositor filing separately, between AGI of \$0 and \$10,000. In the case of a conversion, the Custodian will not accept IRA Conversion Contributions in a tax year if the Depositor's AGI for the tax year the funds were distributed from the other IRA exceeds \$100,000 or if the Depositor is married and files a separate return. Adjusted gross income is defined in section 408A(c)(3) and does not include IRA Conversion Contributions.

**2.** In the case of a joint return, the AGI limits in the preceding paragraph apply to the combined AGI of the Depositor and his or her spouse.

## Article III

The Depositor's interest in the balance in the Custodial Account is nonforfeitable.

## Article IV

**1.** No part of the Custodial Account funds may be invested in life insurance contracts, nor may the assets of the Custodial Account be commingled with other property except in a common trust fund or common investment fund (within the meaning of section 408(a)(5)).

**2.** No part of the Custodial Account funds may be invested in collectibles (within the meaning of section 408(m)) except as otherwise permitted by section 408(m)(3), which provides an exception for certain gold, silver, and platinum coins, coins issued under the laws of any state, and certain bullion.

## Article V

**1.** If the Depositor dies before his or her entire interest is distributed to him or her and the Depositor's surviving spouse is not the designated beneficiary, the remaining interest will be distributed in accordance with (a) below or, if elected or there is no designated beneficiary, in accordance with (b) below:

- (a) The remaining interest will be distributed, starting by the end of the calendar year following the year of the Depositor's death, over the designated beneficiary's remaining life expectancy as determined in the year following the death of the Depositor.
- (b) The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Depositor's death.

**2.** The minimum amount that must be distributed each year under paragraph 1(a) above is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)

(9)-9) of the designated beneficiary using the attained age of the beneficiary in the year following the year of the Depositor's death and subtracting 1 from the divisor for each subsequent year.

**3.** If the Depositor's surviving spouse is the designated beneficiary, such spouse will then be treated as the Depositor.

## Article VI

**1.** The Depositor agrees to provide the Custodian with all information necessary to prepare any reports required by sections 408(i) and 408A(d)(3)(E), Regulations sections 1.408-5 and 1.408-6, or other guidance published by the Internal Revenue Service (IRS).

**2.** The Custodian agrees to submit to the IRS and Depositor the reports prescribed by the IRS.

## Article VII

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through IV and this sentence will be controlling. Any additional articles inconsistent with section 408A, the related regulations, and other published guidance will be invalid.

## Article VIII

This agreement will be amended as necessary to comply with the provisions of the Code, the related regulations, and other published guidance. Other amendments may be made with the consent of the Depositor and the Custodian.

## Article IX

**1. Definitions.** The following definitions shall apply to terms used in this Agreement:

- (a) "Account" or "Custodial Account" means the custodial account established hereunder for the benefit of the Depositor (or following the death of the Depositor, the Beneficiary).
- (b) "Agreement" means the Fidelity Roth IRA Custodial Agreement and Disclosure Statement, including the information and provisions set forth in any Application that goes with this Agreement, as may be amended from time to time. This Agreement, including the Application and any designation of Beneficiary filed with the Custodian, may be proved either by an original copy or by a reproduced copy thereof, including, without limitation, a copy reproduced by photocopying, facsimile transmission, electronic record, or electronic imaging.
- (c) "Account Application" or "Application" shall mean the Application and the accompanying instructions, as may be amended from time to time, by which this Agreement is established between the Depositor (or following the death of the Depositor, the Beneficiary) and the Custodian. The statements contained therein shall be incorporated into this Agreement.
- (d) "Authorized Agent" means the person or persons authorized by the Depositor (or following the death of the Depositor, the Beneficiary) in a form and manner acceptable to the Custodian to purchase or sell Investment Company Shares or Other Funding Vehicles in the Depositor's (or following the death of the Depositor, the Beneficiary's) Account and to perform the duties and responsibilities on behalf of the Depositor (or following the death of the Depositor, the Beneficiary) as set forth under this Agreement. The Custodian shall have no duty to question the authority of any such Authorized Agent.
- (e) "Beneficiary" shall mean the person(s) or entity (including a trust or estate, in which case the term may mean the trustee or personal representative acting in their fiduciary capacity) designated as such by the Depositor (or, following the death of the Depositor, designated as such by a Beneficiary) (i) in a manner acceptable to and filed with the Custodian pursuant to Article IX, Section 8 of this Agreement, or (ii) pursuant to the default provisions of Article IX, Section 8 of this Agreement.
- (f) "Code" shall mean the Internal Revenue Code of 1986, as amended.

- (g) "Company" shall mean FMR LLC, a Delaware corporation, or any successor or affiliate thereof to which FMR LLC may, from time to time, delegate or assign any or all of its rights or responsibilities under this Agreement.
- (h) "Conversion Amount" shall mean all or any part of a distribution from an IRA other than a Roth IRA (including a SEP IRA, SARSEP IRA, or a SIMPLE-IRA) deposited in a Roth IRA.
- (i) "Custodian" shall mean Fidelity Management Trust Company or its successor(s) or affiliates. Custodian shall include any agent of the Custodian as duly appointed by the Custodian.
- (j) "Depositor" means the person named in the Account Application establishing an account for the purpose of making contributions to a Roth IRA as provided for under the Code. This term shall not include a Beneficiary who establishes an Account with the Custodian after the death of the Depositor.
- (k) "Investment Company Shares" or "Shares" shall mean shares of stock, trust certificates, or other evidences of interest (including fractional shares) in any corporation, partnership, trust, or other entity registered under the Investment Company Act of 1940 for which Fidelity Management & Research Company, a Massachusetts corporation, or its successors or affiliates, serves as investment advisor.
- (l) "Money Market Shares" shall mean any Investment Company Shares which are issued by a money market mutual fund.
- (m) "Other Funding Vehicles" shall include (i) all marketable securities traded over the counter or on a recognized securities exchange which are eligible for registration on the book entry system maintained by the Depository Guaranty Trust Company ("DTC") or its successors; (ii) if permitted by the Custodian, interest bearing accounts of the Custodian, and (iii) such other non-DTC eligible assets (but not including futures contracts) which are permitted to be acquired under a custodial account pursuant to Section 408(a) of the Code and which are acceptable to the Custodian. Notwithstanding the above, the Custodian reserves the right to refuse to accept and hold any specific asset. All assets of the Custodial Account shall be registered in the name of the Custodian or its nominee, but such assets shall generally be held in an account for which the records are maintained on a proprietary recordkeeping system of the Company.

**2. Investment of Contributions.** Contributions to the Account may only be invested in Investment Company Shares, and Other Funding Vehicles. Notwithstanding the above, the Custodian reserves the right to refuse to accept and hold any specific asset, including tax-free investment vehicles. Contributions shall be invested as follows:

- (a) *General.* The Depositor (or the Authorized Agent) shall designate each annual Roth IRA contribution and each conversion contribution as such in a form and manner acceptable to the Custodian.
- (b) *Investment of Contributions.* All contributions (including transfers of assets) to the Account shall be invested in accordance with the Depositor's (the Authorized Agent's, or following the death of the Depositor, the Beneficiary's) instructions in the Application or as the Depositor (the Authorized Agent, or following the death of the Depositor, the Beneficiary) directs in a form and manner acceptable to the Custodian, and with subsequent instructions given by the Depositor (the Authorized Agent, or following the death of the Depositor, the Beneficiary), as the case may be, to the Custodian in a form and manner acceptable to the Custodian. By giving such instructions to the Custodian, such person will be deemed to have acknowledged receipt of the then-current prospectus, if any, for any Investment Company Shares and Other Funding Vehicles in which the Depositor (the Authorized Agent or, following the death of the Depositor, the Beneficiary) directs the Custodian to invest assets in the Account. All charges incidental to carrying out such instructions shall be charged and collected in accordance with Article IX, Section 18.
- (c) *Initial Contribution.* The Custodian will invest all contributions (including transfers of assets) promptly after their receipt thereof. However, the Custodian shall not be obligated to invest the Depositor's initial contribution (or the Beneficiary's initial transfer of assets) to this Custodial Account as indicated on the Application, until at least seven (7) calendar days have elapsed from the date of acceptance of the Application by or on behalf of the Custodian. The Depositor (or following the death of the Depositor, the Beneficiary) shall be deemed to have received a copy of the Disclosure Statement which accompanies this Agreement unless a request for revocation is made to the Custodian within seven (7) calendar days following the acceptance of the Application by or on behalf of the Custodian as evidenced by notification to the Depositor (or following the death of the Depositor, the Beneficiary) in a form and manner acceptable to the Custodian.
- (d) *Incomplete, Unclear or Unacceptable Instructions.* If the Custodial Account at any time contains an amount as to which investment instructions in accordance with this Section 2 have not been received by the Custodian, or if the Custodian receives instructions as to an investment selection or allocation which are, in the opinion of the Custodian, incomplete, not clear or otherwise not acceptable, the Custodian may request additional instructions from the Depositor (the Authorized Agent or the Beneficiary). Pending receipt of such instructions any amount may (i) remain uninvested pending receipt by the Custodian of clear investment

instructions from the Depositor (the Authorized Agent or the Beneficiary), (ii) be invested in Money Market Shares, or (iii) be returned to the Depositor (or following the death of the Depositor, the Beneficiary), as the case may be, and any other investment may remain unchanged. The Custodian shall not be liable to anyone for any loss resulting from delay in investing such an amount or in implementing such instructions. Notwithstanding the above, the Custodian may, but need not, for administrative convenience, maintain a balance of up to \$100 of uninvested cash in the Custodial Account.

- (e) *Minimum Investment.* Any other provision herein to the contrary notwithstanding, the Depositor (the Authorized Agent, or, following the death of the Depositor, the Beneficiary) may not direct that any part or all of the Custodial Account be invested in Investment Company Shares or Other Funding Vehicles unless the aggregate amount to be invested is at least such amount as the Custodian shall establish from time to time.
- (f) *No Duty.* The Custodian shall not have any duty to question the directions of the Depositor (the Authorized Agent or the Beneficiary) in the investment or ongoing investment of the Custodial Account or to advise the Depositor (the Authorized Agent or the Beneficiary) regarding the purchase, retention, or sale of assets credited to the Custodial Account. The Custodian, or any of its affiliates, successors, agents, or assigns shall not be liable for any loss which results from the Depositor's (the Authorized Agent's or the Beneficiary's) exercise of control (whether by his or her action or inaction) over the Custodial Account, or any loss which results from any directions received from the Depositor (the Authorized Agent or the Beneficiary) with respect to Roth IRA assets.

### **3. Contributions by Divorced or Separated**

**Spouses.** Alimony and separate maintenance payments received by a divorced or separated spouse, and taxable under Section 71 of the Code, shall be considered compensation for purposes of computing the maximum annual contribution to the Custodial Account, and the limitations for contributions by a divorced or separated spouse shall be the same as for any other individual.

**4. Contribution Deadlines.** The following contribution deadlines generally apply to certain transactions within your Roth IRA:

- (a) *Contributions.* The last day to make annual Roth IRA contributions (including catch up contributions) for a particular tax year is the deadline for filing the Depositor's federal income tax return (not including extensions), or such later date as may be determined by the Department of the Treasury or the Internal Revenue Service for the taxable year for which the contribution relates; provided, however, the Depositor (or the Depositor's Authorized Agent) designates, in a form and manner acceptable to the Custodian, the contribution as a contribution for such taxable year.
- (b) *Conversions.* Conversion contributions must generally be made by December 31 of the year to which the conversion contribution relates. Conversion contributions made via a 60-day rollover must be deposited in a Roth IRA within 60 days of the distribution from an IRA, other than a Roth IRA.
- (c) *Recharacterizations.* A contribution that constitutes a recharacterization of a prior IRA or Roth IRA contribution for a particular tax year must be made by the deadline for filing the Depositor's income tax return (including extensions) for such tax year or such later date as authorized by the IRS.

The Custodian shall not be responsible under any circumstances for the timing, purpose, or propriety of any contributions, nor shall the Custodian incur any liability for any tax, penalty or loss imposed on account of any contribution.

### **5. Rollover Contributions.**

The Custodian will accept for the Depositor's Custodial Account in a form and manner acceptable to the Custodian, all rollover contributions, within the meaning of Sections 408A(c)(3)(B), 408A(c)(6) and 408A(e) of the Code, from other Roth IRAs which consist of cash, and it may, but shall be under no obligation to accept all or any part of any other property permitted as an investment under Code Section 408A. Rollover contributions to a Roth IRA cannot be made from employer sponsored tax qualified plans. The Depositor (or the Depositor's Authorized Agent) shall, in a form and manner acceptable to the Custodian, designate each Roth IRA rollover contribution as such to the Custodian, and by such designation shall confirm to the Custodian that a proposed Roth IRA rollover contribution qualifies as a rollover contribution within the meaning of Section 408A(c)(3)(B), 408A(c)(6) and 408A(e) of the Code. The Depositor (or the Depositor's Authorized Agent) shall provide any information the Custodian may require to properly allocate Roth IRA rollover contributions to the Depositor's Account(s). Submission by or on behalf of a Depositor of a rollover contribution consisting of assets other than cash or property permitted as an investment under this Article IX shall be deemed to be the instruction of the Depositor to the Custodian that, if such rollover contribution is accepted, the Custodian will use its best efforts to sell those assets for the Depositor's Account, and to invest the proceeds of any such sale in accordance with Section 2. The Custodian shall not be liable to anyone for any loss resulting from such sale or delay in effecting such sale; or for any loss of income or appreciation with respect to the proceeds thereof after such sale and prior to investment pursuant to Section 2; or for any failure to effect such sale if such property proves not readily marketable in

the ordinary course of business. All brokerage and other costs incidental to the sale or attempted sale of such property will be charged to the Custodial Account in accordance with Article IX, Section 18. In the case of a distribution from a Roth IRA, such distribution qualifies as a rollover contribution provided it is deposited timely to another Roth IRA and otherwise satisfies the requirements of Section 408(d)(3) of the Code for a rollover contribution. The Custodian shall not be responsible for any losses the Depositor may incur as a result of the timing of any rollover from another trustee or custodian that is due to circumstances beyond the control of the Custodian.

## 6. Conversion Contributions.

The Custodian will accept for the Custodial Account any or all distributions from an IRA, other than a Roth IRA [including a SEP IRA, SARSEP IRA, or a SIMPLE-IRA], which consist of cash, for deposit into a Roth IRA ("conversion contribution(s)"). The Custodian may, but shall be under no obligation to, accept all or any part of any other conversion contribution(s) as permitted under Code Section 408A. The Depositor (or the Depositor's Authorized Agent) shall designate each conversion contribution as such to the Custodian and by such designation shall confirm to the Custodian that a proposed conversion contribution qualifies as a conversion within the meaning of Sections 408A(c)(3), 408A(d)(3) and 408A(e) of the Code, except that any conversion contribution shall not be considered a rollover contribution for purposes of Section 408(d)(3)(B) of the Code relating to the one-rollover-per-year rule.

## 7. Reinvestment of Earnings.

In the absence of instructions pursuant to Section 2, distributions of every nature which are received in respect of the assets in a Depositor's (or following the death of the Depositor, the Beneficiary's) Custodial Account shall be reinvested as described herein:

- (a) In the case of a distribution in respect of Investment Company Shares which may be received, at the election of the Depositor (or following the death of the Depositor, the Beneficiary), in cash or in additional Shares of such Investment Company, the Custodian shall elect to receive such distribution in additional Shares of that Investment Company.
- (b) In the case of a cash distribution which is received in respect of Investment Company Shares, the Custodian shall reinvest such cash in additional Shares of that Investment Company.
- (c) In the case of any other distribution of any nature received in respect of assets in the Custodial Account, the distribution shall be liquidated to cash, if necessary, and shall be reinvested in accordance with the Depositor's (the Authorized Agent's, or following the death of the Depositor, the Beneficiary's) instructions pursuant to Section 2.

## 8. Designation of Beneficiary.

A Depositor may designate a Beneficiary for his or her Account as follows:

- (a) **General.** A Depositor (or following the death of the Depositor, the Beneficiary) may designate a Beneficiary or Beneficiaries at any time, and any such designation may be changed or revoked at any time, by a designation executed by the Depositor (or following the death of the Depositor, the Beneficiary) in a form and manner acceptable to, and filed with, the Custodian; provided, however, that such designation, or change or revocation of a prior designation, shall not be effective unless it is received and accepted by the Custodian no later than nine months after the death of the Depositor (or following the death of the Depositor, the Beneficiary), and provided, further, that such designation, change or revocation shall not be effective as to any assets distributed or transferred out of the Account (including a transfer to an inherited IRA or Beneficiary Distribution Account) prior to the Custodian's receipt and acceptance of such designation, change, or revocation. Subject to Sections 10 and 11 below, the Custodian may distribute or transfer any portion of the Account immediately following the death of the Depositor (or following death of the Depositor, the Beneficiary) under the provisions of the designation then on file with the Custodian, and such distribution or transfer discharges the Custodian from any and all claims as to the portion of the Account so distributed or transferred. The latest such designation or change or revocation shall control except as determined by applicable law. If the Depositor had not by the date of his or her death properly designated a Beneficiary in accordance with the preceding sentence, or if no designated Beneficiary survives the Depositor, the Depositor's Beneficiary shall be his or her surviving spouse, but if he or she has no surviving spouse, the Depositor's Beneficiary shall be his or her estate. If the Depositor designates more than one primary or contingent Beneficiary as applicable but does not specify percentages to which such Beneficiary(ies) is entitled, payment will be made to the surviving Beneficiary(ies) in equal shares. Unless otherwise designated by the Depositor in a form and manner acceptable to the Custodian, if a primary or contingent Beneficiary designated by the Depositor predeceases the Depositor, the Shares and Other Funding Vehicles for which that deceased Beneficiary is entitled will be divided equally among the surviving primary or contingent Beneficiary(ies), as applicable. If the Beneficiary is not a U.S. citizen or other U.S. person (including a resident alien individual) at the time of the Depositor's death, the distribution options and tax treatment available to such Beneficiary may be more restrictive. Unless otherwise designated by the Depositor in a form and manner acceptable to the Custodian, if there are no primary Beneficiaries living

at the time of the Depositor's death, payment of the Depositor's Account upon his or her death will be made to the surviving contingent Beneficiaries designated by the Depositor. If a Beneficiary does not predecease the Depositor but dies before receiving his or her entire interest in the Custodial Account, his or her remaining interest in the Custodial Account shall be paid to a Beneficiary or Beneficiary(ies) designated by such Beneficiary as his or her successor Beneficiary(ies) in a form and manner acceptable to, and filed with, the Custodian; provided, however, that such designation must be received and accepted by the Custodian in accordance with this section. If no proper designation has been made by such Beneficiary, in accordance with this section, distributions will be made to such Beneficiary's estate. Notwithstanding any provision of this Agreement to the contrary, for purposes of distributions calculated and requested pursuant to Article V, the designated beneficiary within the meaning of Section 401(a)(9)(E) of the Code shall be the individual designated as such by the Depositor. Notwithstanding any provision of this Agreement to the contrary unless otherwise designated by the Depositor (or following the death of the Depositor, by a Beneficiary) in a form and manner acceptable to the Custodian, when used in this Agreement or in any designation of Beneficiary received and accepted by the Custodian, the term "per stirpes" shall be construed as follows: if any primary or contingent Beneficiary, as applicable, does not survive the Depositor (or following the death of the Depositor, the Beneficiary), but leaves surviving descendants, any share otherwise payable to such beneficiary shall instead be paid to such beneficiary's surviving descendants by right of representation. In all cases, the Custodian shall be authorized to rely on any representation of facts made by the Depositor, the executor or administrator of the estate of the Depositor, any Beneficiary, the executor or administrator of the estate of any Beneficiary, or any other person deemed appropriate by the Custodian in determining the identity of unnamed Beneficiaries.

- (b) **Minors.** If a distribution upon the death of the Depositor (or the Beneficiary) is payable to a person known by the Custodian to be a minor or otherwise under a legal disability, the Custodian may, in its absolute discretion, make all, or any part of the distribution to (i) a parent of such person; (ii) the guardian, conservator, or other legal representative, wherever appointed, of such person; (iii) a Custodial Account established under a Uniform Gifts to Minors Act, Uniform Transfers to Minors Act, or similar act; (iv) any person having control or custody of such person; or (v) to such person directly. Notwithstanding anything in this Agreement to the contrary, if the Account is established for a minor under the provisions of either the Uniform Gifts to Minors Act or the Uniform Transfers to Minors Act (to the extent permitted by the Custodian), the beneficiary of such Account while so established and maintained shall be the minor's estate or as otherwise determined in accordance with the applicable state Uniform Gifts to Minors Act or Uniform Transfers to Minors Act.
- (c) **QTIPs and QDOTs.** A Depositor (or following the death of the Depositor, the Beneficiary) may designate as Beneficiary of his or her Account a trust for the benefit of the surviving spouse that is intended to satisfy the conditions of Sections 2056(b)(7) or 2056A of the Code (a "Spousal Trust"). In that event, if the Depositor (or following the death of the Depositor, the Beneficiary) is survived by his or her spouse, the following provisions shall apply to the Account, from and after the death of the Depositor (or following the death of the Depositor, the Beneficiary) until the death of the Depositor's (or, following the death of the Depositor, the Beneficiary's) surviving spouse: (1) all of the income of the Account shall, or at the direction of the trustee(s) of such Spousal Trust, be paid to the Spousal Trust annually or at more frequent intervals as directed by the trustee(s) of such Spousal Trust, and (2) no person shall have the power to assign any part of the Account to any person other than the Spousal Trust. To the extent permitted by Sections 408A(c)(5) and 401(a)(9) of the Code, as determined by the trustee(s) of the Spousal Trust, the surviving spouse of a Depositor who has designated a Spousal Trust as the his or her Beneficiary may be treated as his or her "designated beneficiary" for purposes of the distribution requirements of that Code section. The Custodian shall have no responsibility to determine whether such treatment is appropriate.
- (d) **Judicial Determination.** Anything to the contrary herein notwithstanding, in the event of reasonable doubt respecting the proper course of action to be taken, the Custodian may in its sole and absolute discretion resolve such doubt by judicial determination which shall be binding on all parties claiming any interest in the Account. In such event all court costs, legal expenses, reasonable compensation of time expended by the Custodian in the performance of its duties, and other appropriate and pertinent expenses and costs shall be collected by the Custodian from the Custodial Account in accordance with Article IX, Section 18.
- (e) **No Duty.** The Custodian shall not have any duty to question the directions of the Depositor (the Authorized Agent, or, following the death of the Depositor, the Beneficiary) as to the time(s) and amount(s) of distributions from the Custodial Account, or to advise him or her regarding the compliance of such distributions with Section 408(a)(6), Section 401(a)(9), Section 408A(c)(5), Section 2056(b)(7) or Section 2056A of the Code.



**9. Payroll Deduction.** Subject to approval of the Custodian, a Depositor may choose to have contributions to his or her Custodial Account made through payroll deduction, in a form and manner acceptable to the Custodian, if the Account is maintained as part of a program or plan sponsored by the Depositor's employer or if the employer otherwise agrees to provide such service. In order to establish payroll deduction, the Depositor must authorize his or her employer to deduct a fixed amount or percentage from each pay period's salary up to the maximum annual Roth IRA contribution limit per year. Contributions to the Custodial Account of the Depositor's spouse may be made through payroll deduction if the employer authorizes the use of payroll deductions for such contributions, but such contributions must be made to a separate Account maintained for the benefit of the Depositor's spouse. The Custodian shall continue to receive for the Depositor's Account payroll deduction contributions until such time as the Depositor's instruction to his or her Employer (with reasonable advance notice) causes such contributions to be modified or to cease.

**10. Transfers to or from the Account.** Assets held on behalf of the Depositor (or, following the death of the Depositor, the Beneficiary) in another Roth IRA may be transferred by the trustee or custodian thereof directly to the Custodian, in a form and manner acceptable to the Custodian, to be held in the Custodial Account for the Depositor (or, following the death of the Depositor, the Beneficiary) under this Agreement. The Custodian will not be responsible for any losses the Depositor (or, following the death of the Depositor, the Beneficiary) may incur as a result of the timing of any such transfer from another trustee or custodian that are due to circumstances reasonably beyond the control of the Custodian. The Depositor (or following the death of the Depositor, the Beneficiary) shall be responsible for ensuring that any transfer of another Roth IRA by the trustee or custodian thereof directly to the Custodian is in compliance with the terms and conditions of the instrument governing the Roth IRA of the transferor trustee or custodian, the Code, and any related rules, regulations, and guidance issued by the Internal Revenue Service. Assets held on behalf of the Depositor (or, following the death of the Depositor, the Beneficiary) in the Account may be transferred directly to a trustee or custodian of another Roth IRA established for the Depositor (or, following the death of the Depositor, the Beneficiary), if so directed by the Depositor (or following the death of the Depositor, the Beneficiary) in a form and manner acceptable to the Custodian; provided, however, that it shall be the Depositor's (or, following the death of the Depositor, the Beneficiary's) responsibility to ensure that the transfer is permissible and satisfies the requirements of the Code and any related rules, regulations, and any guidance issued by the Internal Revenue Service, including Code Sections 408(a)(6) and 401(a)(9) and applicable regulations.

**11. Distributions from the Account.** Distributions from the Account will be made only upon the request of the Depositor (or, with the prior consent of the Custodian, the Authorized Agent, or, following the death of the Depositor, the Beneficiary) to the Custodian in such form and in such manner as is acceptable to the Custodian. Distributions from the Account after a five-year period shall generally not be included in the Depositor's gross income provided the distribution is made after the Depositor reaches age 59½ or is made on account of the Depositor's death, disability or constitutes a distribution for qualified first time home purchase expenses. The five year period begins January 1 of the year for which an initial Roth IRA contribution is made to a Roth IRA, or if earlier, January 1 of the year in which the first conversion contribution is made to a Roth IRA and ends on the last day of the fifth taxable year that follows (the "Five Year Period"). The Custodian shall neither be responsible for recordkeeping such Five Year Period nor for determining whether any distribution from any Roth IRA qualifies as a tax-free distribution.

Notwithstanding Article V, Paragraph 3, if the Depositor's surviving spouse is the Depositor's sole Beneficiary, the remaining interest in the Account may, at the election of the surviving spouse, be distributed by December 31 of the year containing the fifth anniversary of the Depositor's death or, be distributed over the life expectancy of the surviving spouse starting no later than December 31 of the year following the year of the Depositor's death. In addition, if the Depositor's surviving spouse is the Depositor's sole Beneficiary, the surviving spouse may elect to treat the decedent's Roth IRA as his or her own.

For distributions requested pursuant to Article V, life expectancy is calculated based on information provided by the Depositor (or the Authorized Agent, or, following the death of the Depositor, the Depositor's Beneficiary) using any applicable distribution period from tables prescribed by the IRS in regulations or other guidance. The Custodian shall be under no duty to perform any calculations in connection with distributions requested pursuant to Article V, unless specifically required to by the IRS. Notwithstanding the foregoing, at the direction of the Depositor (or, with prior consent of the Custodian, the Authorized Agent, or following the death of the Depositor, the Beneficiary), the Custodian may perform calculations in connection with such distributions. The Custodian shall not incur any liability for errors in such calculations as a result of its reliance on information provided by the Depositor (or the Authorized Agent, or, the Beneficiary). Without limiting the generality of the foregoing, the Custodian is not obligated to make any distribution absent a specific direction from the Depositor (the Authorized Agent, or, following the death of the Depositor, the Beneficiary) to do so in a form and manner

acceptable to the Custodian, and the Custodian may rely, and shall be fully protected in so relying upon any such direction. Notwithstanding the above and Section 17 below, the Custodian is authorized to make a distribution absent the Depositor's (or following the death of the Depositor, the Beneficiary's) direction if instructed to do so pursuant to a levy, or a court order of any kind, or in the event the Custodian resigns or is removed as custodian. In such instance, neither the Custodian nor the Company shall, in any event, incur any liability for acting in accordance with such levy or court order, or with the procedures for resignation or removal in Section 23 below. The Custodian will not, under any circumstances, be responsible for the timing, purpose or propriety of any distribution made hereunder nor shall the Custodian incur any liability or responsibility for any tax or penalty imposed on account of any distribution, or failure to make a distribution. Notwithstanding anything herein to the contrary, on or before December 31, 2003, a Beneficiary receiving distributions pursuant to Paragraph 1(b) of Article V of this Custodial Agreement may generally begin taking distributions over the Beneficiary's remaining life expectancy in accordance with Section 401(a)(9) of the Code and related regulations.

**12. Recharacterization of Roth IRA Contributions.** Annual contributions held on behalf of the Depositor in another IRA may be transferred ("recharacterized") via a trustee-to-trustee transfer to the Custodian, in a form and manner acceptable to the Custodian, to be held in the Custodial Account for the Depositor under this Agreement. The Custodian will not be responsible for any penalties or losses the Depositor may incur as a result of the timing of any such recharacterization from another trustee or custodian that are due to circumstances reasonably beyond the control of the Custodian. Annual contributions or conversion contributions held on behalf of the Depositor in the Account may be transferred ("recharacterized") via a trustee-to-trustee transfer to a trustee or custodian of another IRA established for the Depositor, if so directed by the Depositor (or the Depositor's Authorized Agent) in a form and manner acceptable to the Custodian. It shall be the Depositor's responsibility in all cases to ensure that the recharacterization is permissible and satisfies the requirements of Code Section 408A and any related rules, regulations, and guidance issued by the Internal Revenue Service. A contribution that constitutes a recharacterization of a prior contribution or conversion must be made by the deadline for filing the Depositor's income tax return for the year the contribution or conversion, as applicable, relates or such later date as authorized by the IRS.

**13. Actions in the Absence of Specific Instructions.** If the Custodian receives no response to communications sent to the Depositor (the Authorized Agent, or, following the death of the Depositor, the Beneficiary) at the Depositor's (the Authorized Agent's or the Beneficiary's) last known address as shown in the records of the Custodian, or if the Custodian determines, on the basis of evidence satisfactory to it, that the Depositor (or, following the death of the Depositor, the Beneficiary) is legally incompetent, the Custodian thereafter may make such determinations with respect to distributions, investments, and other administrative matters arising under this Agreement as it considers reasonable, notwithstanding any prior instructions or directions given by or on behalf of the Depositor (or, following the death of the Depositor, the Beneficiary). Any determinations so made shall be binding on all persons having or claiming any interest under the Custodial Account, and the Custodian shall not incur any obligation or liability for any such determination made in good faith, for any action taken in pursuance thereof, or for any fluctuations in the value of the Account in the event of a delay resulting from the Custodian's good faith decision to await additional information or evidence.

**14. Instructions, Notices and Communications.** All instructions, notices, or communications, written or otherwise, required to be given by the Custodian to the Depositor (or, following the death of the Depositor, the Beneficiary) shall be deemed to have been given when delivered or provided to the last known address, including an electronic address, of the Depositor or the Beneficiary in the records of the Custodian. All instructions, notices, or communications, written or otherwise, required to be given by the Depositor (or following the death of the Depositor, the Beneficiary) to the Custodian shall be mailed, delivered or provided to the Custodian at its designated mailing address, including an electronic address, if authorized by the Custodian, as specified on the Application or Account statement (or such other address as the Custodian may specify), and no such instruction, notice, or communication shall be effective until the Custodian's actual receipt thereof.

**15. Effect of Instructions, Notices and Communications.**

(a) *General.* The Custodian shall be entitled to rely conclusively upon, and shall be fully protected in any action or non-action taken in good faith reliance upon, any instructions, notices, communications, or instruments, written or otherwise, believed to have been genuine and properly executed. Any such notification may be proven by original copy or reproduced copy thereof, including, without limitation, a copy produced by photocopying, facsimile transmission, electronic record, or electronic imaging. For purposes of this Agreement, the Custodian may (but is not required to) give the same effect to either a telephonic instruction or an instruction received through electronic commerce as it gives to a written instruction, and the Custodian's action in doing so shall be protected to the same extent as if such

telephonic or electronic commerce instructions were, in fact, a written instruction. Any such instruction may be proved by audio recorded tape, data file or electronic record maintained by the Custodian, or other means acceptable to the Custodian, as the case may be.

- (b) *Incomplete or Unclear Instructions.* If the Custodian receives instructions or other information relating to the Depositor's (or, following the death of the Depositor, the Beneficiary's) Custodial Account which are, in the opinion of the Custodian, incomplete or not clear, the Custodian may request other instructions or information from the Depositor (the Authorized Agent, or, following the death of the Depositor, the Beneficiary). Pending receipt of any such other instructions or information, the Custodian shall not be liable to anyone for any loss resulting from any delay, action, or inaction on the part of the Custodian. In all cases, the Custodian shall not have any duty to question any such instructions or information from a Depositor (the Authorized Agent or, following the death of the Depositor, the Beneficiary) relating to his or her Custodial Account or to otherwise advise the Depositor (the Authorized Agent or, following the death of the Depositor, the Beneficiary) regarding any matter relating thereto.

## **16. Tax Matters.**

- (a) *General.* The Custodian shall submit required reports to the Internal Revenue Service, and to the Depositor (the Authorized Agent, or, following the death of the Depositor, the Beneficiary); provided, however, that such individual shall prepare any return or report required in connection with maintaining the Account, or as a result of liability incurred by the Account for tax on unrelated business taxable income.
- (b) *Annual Report.* As required by the Internal Revenue Service, the Custodian shall deliver to the Depositor (or following the death of the Depositor, the Beneficiary) a report(s) of certain transactions effected in the Custodial Account and the fair market value of the assets of the Custodial Account as of the close of the prior calendar year. Unless the Depositor (the Authorized Agent, or following the death of the Depositor, the Beneficiary) sends the Custodian written objection to a report within ninety (90) days of receipt, the Depositor (the Authorized Agent, or following the death of the Depositor, the Beneficiary) shall be deemed to have approved of such report, and the Custodian and the Company, and their officers, employees, and agents shall be forever released and discharged from all liability and accountability to anyone with respect to their acts, transactions, duties, and responsibilities as shown on or reflected by such report(s).
- (c) *Tax Withholding.* Any distributions from the Custodial Account may be made by the Custodian net of any required tax withholding. If permitted by the Custodian, any distributions from the Custodial Account may be made net of any voluntary tax withholding requested by the Depositor (or, if permitted by the Custodian, the Authorized Agent, or, following the death of the Depositor, the Beneficiary). The Custodian shall be under no duty to withhold any excise penalty which may be due as a result of any transaction in the Custodial Account.

**17. Spendthrift Provision.** Subject to Section 11 above, any interest in the Account shall generally not be transferred or assigned by voluntary or involuntary act of the Depositor (or, following the death of the Depositor, the Beneficiary) or by operation of law; nor shall any interest in the Account be subject to alienation, assignment, garnishment, attachment, receivership, execution, or levy, except as required by law. However, this Section 17 shall not in any way be construed to, and the Custodian is in no way obligated or expected to, commence or defend any legal action or proceeding in connection with this Agreement or the Custodial Account. Commencement of any such legal action or proceeding or defense of such legal action or proceeding shall be the sole responsibility of the Depositor (or following the death of the Depositor, the Beneficiary) unless otherwise agreed upon by the Custodian and Depositor (or following the death of the Depositor, the Beneficiary), and unless the Custodian is fully indemnified for doing so to the Custodian's satisfaction. Notwithstanding the foregoing, in the event of a property settlement between a Depositor or following the death of the Depositor, the Beneficiary and his or her former spouse pursuant to which the transfer of a Depositor's interest hereunder, or a portion thereof, is incorporated in a divorce decree or in an instrument, written or otherwise incident to such divorce or legal separation, then the interest so decreed by a court to be the property of such former spouse shall be transferred to a separate Custodial Account for the benefit of such former spouse, in accordance with the requirements of the Code. In the event the Custodian is directed to distribute assets from the Custodial Account pursuant to a levy or court order, the Custodian shall do so in accordance with such levy or order and Section 11 above, and the Custodian shall not incur any liability for distributing such assets of the Account.

## **18. Fees and Expenses.**

- (a) *General.* The fees of the Custodian for performing its duties hereunder shall be in such amount as the Custodian shall establish from time to time, as communicated on the Schedule of Fees which accompanies this Agreement, or in some other manner acceptable to the Custodian. All such fees, as well as expenses (such as, without limitation, brokerage commissions upon the investment of funds, fees for special legal services, taxes levied or assessed, or expenses in connection with the liquidation or retention of all or part of a rollover contribution), shall be collected

by the Custodian from cash available in the Custodial Account, or if insufficient cash shall be available, by sale of sufficient assets in the Custodial Account and application of the sales proceeds to pay such fees and expenses. Alternatively, but only with the consent of the Custodian, fees and expenses may be paid directly to the Custodian by the Depositor (the Authorized Agent, or, following the death of the Depositor, the Beneficiary) by separate check.

- (b) *Advisor Fees.* The Custodian shall, upon direction from the Depositor (or following the death of the Depositor, the Beneficiary) disburse from the Custodial Account payment to the Depositor's (or following the death of the Depositor, the Beneficiary) registered investment advisor any fees for financial advisory services rendered with regard to the assets held in the Account. Any such direction must be provided in a form and manner acceptable to the Custodian and the Custodian shall not incur any liability for executing such direction. The Custodian shall be entitled to rely conclusively upon, and shall be fully protected in any action or inaction taken in full faith reliance upon any such fee disbursement direction.
- (c) *Sale of Assets.* Whenever it shall be necessary in accordance with this Section 18 to sell assets in order to pay fees or expenses, the Custodian may sell any or all of the assets credited to the Custodial Account at that time, and shall invest the proceeds of the sales proceeds remaining after collection of the applicable fees and expenses therefrom in accordance with Section 2. The Custodian shall not incur any liability on account of its sale or retention of assets under such circumstances.

**19. Voting with Respect to Securities.** The Custodian shall deliver to the Depositor (or, following the death of the Depositor, the Beneficiary) all prospectuses and proxies that may come into the Custodian's possession by reason of its holding of Investment Company Shares or Other Funding Vehicles in the Custodial Account. The Depositor (the Authorized Agent, or, following the death of the Depositor, the Beneficiary) may direct the Custodian as to the manner in which any Investment Company Shares or Other Funding Vehicles held in the Custodial Account shall be voted with respect to any matters as to which the Custodian as holder of record is entitled to vote, coming before any meeting of shareholders of the corporation which issued such securities, or of holders of interest in the Investment Company or corporation which issued such Investment Company Shares or Other Funding Vehicles. All such directions shall be in a form and manner acceptable to the Custodian, and delivered to the Custodian or its designee within the time prescribed by it. The Custodian shall vote only those securities and Investment Company Shares with respect to which it has received timely directions from the Depositor (the Authorized Agent, or following the death of the Depositor, the Beneficiary); provided however, that by establishing (or having established) the Custodial Account the Depositor (or following the death of the Depositor, the Beneficiary) authorizes the Custodian to vote any Investment Company Shares held in the Custodial Account on the applicable record date, for which no timely instructions are received, in the same proportions as the Custodian has been instructed to vote the Investment Company Shares held in the Custodial Accounts for which it has received timely instructions, but effective solely with respect to votes before January 1, 2003, only to the extent that such vote is necessary to establish a quorum.

## **20. Limitations on Custodial Liability and Indemnification.**

Neither the Custodian, the Company, nor any agent or affiliate thereof provides tax or legal advice. Depositors, Beneficiaries, and Authorized Agents are strongly encouraged to consult with their attorney or tax advisor with regard to their specific situation. The Depositor (or following the death of the Depositor, the Beneficiary) and the Custodian intend that the Custodian shall have and exercise no discretion, authority, or responsibility as to any investment in connection with the Account, and the Custodian shall not be responsible in any way for the purpose, propriety, or tax treatment of any contribution, or of any distribution, or any other action or non-action taken pursuant to the Depositor's direction (or that of the Authorized Agent, or, following the death of the Depositor, the Beneficiary). The Depositor (or following the death of the Depositor, the Beneficiary) who directs the investment of his or her Account shall bear sole responsibility for the suitability of any directed investment and for any adverse consequences arising from such an investment, including, without limitation, the inability of the Custodian to value or to sell an illiquid investment, or the generation of unrelated business taxable income with respect to an investment. Unless the Depositor (the Authorized Agent or the Beneficiary) sends the Custodian written objection to any statement, notice, confirmation or report within ninety (90) days of receipt from the Custodian, the Depositor (the Authorized Agent or the Beneficiary) shall be deemed to have approved of such statement, notice, confirmation or report, and the Custodian and the Company, and their officers, employees and agents shall be forever released and discharged from all liability and accountability to anyone with respect to their acts, transactions, duties and responsibilities as shown on or reflected by such statement, notice, confirmation or report(s). To the fullest extent permitted by law, the Depositor (the Authorized Agent, or following the death of the Depositor, the Beneficiary) shall at all times fully indemnify and save harmless the Custodian, the Company and their agents, affiliates, successors, and assigns and their officers, directors, and employees, from any and all liability arising from the Depositor's (the Authorized Agent's, or following the death of the Depositor, the Beneficiary's) direction under this Account, and from any and all other liability whatsoever which may arise in

connection with this Agreement, except liability arising from gross negligence or willful misconduct on the part of the indemnified person. The Custodian shall not have any responsibility or liability for the actions or inactions of any successor or predecessor custodian of this Account.

**21. Delegation to Agents.** The Custodian may delegate, pursuant to an Agreement, to one or more entities the performance of recordkeeping, ministerial, and other services in connection with the Custodial Account, for a reasonable fee (to be paid by the Custodian and not by the Custodial Account). Any such agent's duties and responsibilities shall be confined solely to the performance of such services, and shall continue only for so long as the Custodian named in the Application (or its successor) serves as Custodian or otherwise deems appropriate. Although the Custodian shall have no responsibility to give effect to a direction from anyone other than the Depositor (or, following the death of the Depositor, the Beneficiary), the Custodian may, in its discretion, establish procedures pursuant to which the Depositor (or following the death of the Depositor, the Beneficiary) may delegate, in a form and manner acceptable to the Custodian, to a third party any or all of the Depositor's (or following the death of the Depositor, the Beneficiary's) powers and duties hereunder. Any such third party to whom the Depositor (or following the death of the Depositor, the Beneficiary) has so delegated powers and duties shall be treated as the Depositor (or following the death of the Depositor, the Beneficiary) for purposes of applying the preceding sentences of this paragraph and the provisions of this Agreement.

**22. Amendment of Agreement.** The Custodian may amend this Agreement in any respect at any time (including retroactively), so that it may conform with applicable provisions of the Code, or with any other applicable law as in effect from time to time, or to make such other changes to this Agreement as the Custodian deems advisable. Any such amendment shall be effected by delivery to the Custodian and to the Depositor (or, following the death of the Depositor, the Beneficiary) at his or her last known address, including an electronic address (as shown in the records of the Custodian) a copy of such amendment or a restatement of this Custodial Agreement.

The Depositor (or following the death of the Depositor, the Beneficiary) shall be deemed to consent to any such amendment(s) unless he or she objects thereto by sending notice to the Custodian in a form and manner acceptable to the Custodian, within thirty (30) calendar days from the date a copy of such amendment(s) or restatement is delivered to the Depositor to terminate this Custodial Account and distribute the proceeds, as so directed by the Depositor (the Authorized Agent, or following the death of the Depositor, the Beneficiary).

**23. Resignation or Removal of Custodian.** The Company may remove the Custodian at any time, and the Custodian may resign at any time, upon thirty (30) days notice to the Depositor (the Authorized Agent, or following the

death of the Depositor, the Beneficiary). Upon the removal or resignation of the Custodian, the Company may, but shall not be required to, appoint a successor custodian under this Custodial Agreement; provided that any successor custodian shall satisfy the requirements of Code Section 408(a)(2). Upon any such successor's acceptance of appointment, the Custodian shall transfer the assets of the Custodial Account, to such successor custodian; provided, however, that the Custodian is authorized to reserve such sum of money or property as it may deem advisable for payment of any liabilities constituting a charge on or against the assets of the Custodial Account, or on or against the Custodian or the Company. Upon acceptance of such appointment, a successor custodian shall be vested with all authority, discretionary or otherwise of the Custodian pursuant to this Agreement. The Custodian shall not be liable for the acts or omissions of any predecessor or successor to it. If no successor custodian is appointed by the Company, the Custodial Account shall be terminated, and the assets of the Account, reduced by the amount of any unpaid fees or expenses, will be distributed to the Depositor (or following the death of the Depositor, the Beneficiary).

**24. Termination of the Custodial Account.** The Depositor (or following the death of the Depositor, the Beneficiary) may terminate the Custodial Account at any time upon notice to the Custodian in a manner and form acceptable to the Custodian. Upon such termination, the Custodian shall transfer the assets of the Custodial Account, reduced by the amount of any unpaid fees or expenses, to the custodian or trustee of another Roth IRA designated by the Depositor (or following the death of the Depositor, the Beneficiary). The Custodian shall not be liable for losses arising from the acts, omissions, delays, or other inaction of any such transferee custodian or trustee. If notice of the Depositor's (or following the death of the Depositor, the Beneficiary's) intention to terminate the Custodial Account is received by the Custodian and the Depositor (or following the death of the Depositor, the Beneficiary) has not designated a transferee custodian or trustee for the assets in the Account, then the assets of the Account, reduced by any unpaid fees or expenses, will be distributed to the Depositor (or following the death of the Depositor, the Beneficiary).

**25. Governing Law. This Agreement, and the duties and obligations of the Company and the Custodian under the Agreement, shall be construed, administered, and enforced according to the laws of the Commonwealth of Massachusetts, except as superseded by federal law or statute.**

**26. When Effective.** This Agreement shall not become effective until the acceptance of the Application by or on behalf of the Custodian, as evidenced by a notice to the Depositor (or following the death of the Depositor, the Beneficiary).

# Important Information Affecting The Fidelity IRA and the Roth IRA

This notice describes certain provisions relating to Traditional IRAs and Roth IRAs that are now effective (unless otherwise noted), based on recent changes in the law, cost-of-living adjustments, and guidance from the IRS. This information is intended to supplement and update the information in your Fidelity IRA Disclosure Statement and/or Fidelity Roth IRA Disclosure Statement, as applicable. Please note that certain provisions as described in this notice are subject to change. As always, you are encouraged to consult a tax advisor with respect to any tax questions, or to determine how these changes may affect your personal situation.

## Contribution Information

**Annual IRA and Roth IRA Contribution Limits.** Certain IRA provisions passed into law under the Economic Growth and Tax Relief Reconciliation Act of 2001 ("EGTRRA") were set to expire after December 31, 2010. Under the Pension Protection Act of 2006 ("PPA"), these "sunset provisions" of EGTRRA are repealed. As a result, the following increased limits on aggregate IRA and Roth IRA contributions are made permanent under current law:

Tax Years	Annual IRA Contribution Limit	Annual IRA Catch-Up Contribution for Depositor at Least Age 50	Combined Maximum Annual IRA Contribution Limit for Depositor at Least Age 50 (including Catch-Up)
2007	\$4,000	\$1,000	\$5,000
2008 and thereafter	\$5,000*	\$1,000	\$6,000

\*After 2008, the maximum annual IRA contribution limit will be indexed for cost-of-living in \$500 increments.

**Catch Up Contributions in Certain Employer Bankruptcies.** The PPA allows for additional IRA contributions (up to \$3,000) to be made by participants in a retirement plan sponsored by an employer who files for bankruptcy and is subject to an indictment or conviction resulting from business transactions related to such bankruptcy. The individual and the plan must satisfy certain requirements. These bankruptcy-related contributions may not be made for the same year as age 50 or older catch up contributions. This PPA provision will expire after December 31, 2009. The individual is responsible for determining whether he/she is eligible to make these additional contributions.

**Non-Spouse Direct Rollovers to Inherited Traditional IRAs.** Effective for distributions after December 31, 2006, an eligible non-spouse beneficiary may directly roll over a decedent's interest in a qualified plan, 403(b) plan, or governmental 457(b) plan to an inherited IRA, also called an IRA Beneficiary Distribution Account (IRA-BDA). The distribution must be directly rolled over (via trustee-to-trustee transfer) to the IRA-BDA. Entity beneficiaries are not eligible to roll over to an inherited IRA; trust beneficiaries may only directly roll over inherited plan assets to an inherited IRA if the trust meets certain "look through" trust requirements. Current or past minimum distribution amounts required under the plan's terms may not be rolled over.

**Designated Roth Account Rollovers to Roth IRAs.** Distributions from Roth sources in employer-sponsored plans ("designated Roth accounts") can be rolled over into a Roth IRA via a 60 day rollover or a direct rollover. If only a portion of the distribution is rolled over, the portion that is rolled over is treated as consisting first of the amount of the distribution that is includible in gross income. Please note that assets rolled from an employer-sponsored plan to a Roth IRA cannot be rolled back to an employer-sponsored plan. Additionally, note that income limits that determine taxpayer eligibility for annual contributions to a Roth IRA do not apply to Roth IRA rollover contribution amounts.

## Qualified Rollover Contribution to a Roth IRA ("Direct Roth Conversion")

Effective for distributions occurring after December 31, 2007, the PPA allows certain distributions of pre-tax assets from employer-sponsored plans (for example, 401(a), 403(b) and 457(b) governmental plans) may be eligible for rollover directly into your Roth IRA, subject to the restrictions and taxation that applies to conversions from a traditional IRA to a Roth IRA, including the applicable adjusted gross income limit for conversions.

**Direct payment of tax refunds to IRAs.** The PPA allows taxpayers to direct that a portion of his/her federal income tax refund may be directly deposited into the taxpayer's IRA as a contribution. In certain cases, taxpayers must complete IRS Form 8888 to direct the contribution to their IRA provider.

**The PPA amended certain sections of the Internal Revenue Code to apply cost-of-living adjustments (COLA) to certain AGI limits that impact IRA deductibility for active participants (or the spouses of active participants) in an employer-sponsored retirement plan, for the Saver's Credit, and for eligibility to contribute to a Roth IRA. These limits and others, as adjusted by the IRS for COLA, are described below.**

## Annual IRA Contributions

**AGI Limits for Deductible Contributions to a Traditional IRA.** If you are married filing jointly, and only one spouse is considered an active participant, the spouse (including a non-wage-earning spouse) who is not an active participant in an employer-sponsored retirement plan may make a fully or partially deductible IRA contribution of up to the maximum amount allowed under current law or 100% of combined compensation, whichever is less. The deductibility of the non-active participant spouse's contribution is phased out between the following modified AGI limits.

Year	Married Taxpayers Filing Joint Returns
2007	\$156,000–\$166,000
2008	\$159,000–\$169,000

For "active participants" in an employer-sponsored retirement plan, full deduction is phased out between the following modified AGI limits:

Year	Married Taxpayers Filing Joint Returns	Single Taxpayers
2007	\$83,000–\$103,000	\$52,000–\$62,000
2008	\$85,000–\$105,000	\$53,000–\$63,000

**AGI Limits for Roth IRA Contributions.** Eligibility to make annual Roth IRA contributions is phased out between the following modified AGI limits:

Year	Married Taxpayers Filing Joint Returns	Single Taxpayers
2007	\$156,000–\$166,000	\$99,000–\$114,000
2008	\$159,000–\$169,000	\$101,000–\$116,000

Please refer to your IRA Disclosure Statement, or IRS Publication 590 to calculate the amount of your contribution if you are subject to the above limits.

**Savers Credit for IRA Contributions.** This tax credit was originally available for contributions made for taxable years beginning after December 31, 2001 and before January 1, 2007, under EGTRRA. The credit was made permanent under PPA. Also, as a result of PPA, the AGI limits which determine eligibility to receive the tax credit will now be subject to cost-of-living adjustments (COLA).



For 2007:

Joint Filers (AGI)	Heads of Households (AGI)	All Other Filers (AGI)	Credit Rate	Maximum Credit
\$0–\$31,000	\$0–\$23,250	\$0–\$15,500	50%	\$1,000
\$31,001–\$34,000	\$23,251–\$25,500	\$15,501–\$17,000	20%	\$400
\$34,001–\$52,000	\$25,501–\$39,000	\$17,001–\$26,000	10%	\$200
Over \$52,000	Over \$39,000	Over \$26,000	0%	\$0

For 2008:

Joint Filers (AGI)	Heads of Households (AGI)	All Other Filers (AGI)	Credit Rate	Maximum Credit
\$0–\$32,000	\$0–\$24,000	\$0–\$16,000	50%	\$1,000
\$32,001–\$34,500	\$24,001–\$25,875	\$16,001–\$17,250	20%	\$400
\$34,501–\$53,000	\$25,876–\$39,750	\$17,251–\$26,500	10%	\$200
Over \$53,000	Over \$39,750	Over \$26,500	0%	\$0

**SEP-IRA Contributions.** If you are a participant in a SEP plan offered by your employer, your employer may make annual SEP contributions on your behalf up to the lesser of 25% of compensation, or \$45,000, per participant for 2007 (\$46,000 for 2008). The limit is indexed for cost-of-living adjustments in \$1,000 increments in subsequent years. The maximum compensation on which contributions to SEPs and SARSEPs can be based is \$225,000 in 2007 (\$230,000 in 2008), and indexed for cost-of-living adjustments in \$5,000 increments in subsequent years. Elective deferrals to SARSEPs are also subject to the limits more fully described below. Additionally, SARSEP participants who reach age 50 by December 31 of the tax year for the corresponding contribution may be able to contribute an additional catch-up contribution, if the plan allows.

Tax Year	Annual Elective Deferral Limit	SARSEP Catch-Up Contribution for Participants at Least Age 50	Maximum Annual Elective Deferral Limit for Participants at Least Age 50 (including Catch-Up)
2007	\$15,500	\$5,000	\$20,500
2008	\$15,500	\$5,000	\$20,500

After 2007, the \$15,500 limit is indexed for inflation in \$500 increments.

**Roth Conversion Limit.** For tax years beginning after December 31, 2009, the \$100,000 AGI limit and filing status requirement to convert to a Roth IRA is eliminated. For conversions in 2010, taxable amounts attributable to a conversion will be included in income ratably in 2011 and 2012 unless the taxpayer elects to recognize it all in 2010.

**PPA, as well as certain other legislative changes, included provisions that affect distributions from IRAs and Roth IRAs, as described below. Distributions**

**Designated Roth Account Rollovers and the 5-Taxable-Year Period of Participation.** If there is a rollover of designated Roth account assets from an employer-sponsored plan to a Roth IRA, the period that the rolled-over funds were in the employer-sponsored plan do not count towards the determination of the 5-year period in the Roth IRA. However, if an individual had established a Roth IRA in a year prior to the rollover, the 5-year period for determining qualified distributions from the Roth IRA, which began with the first contribution to that Roth IRA, would also apply to any funds subsequently rolled over from an employer-sponsored plan.

**Qualified HSA Funding Distribution.** A one-time ‘qualified Health Savings Account (HSA) funding distribution’ may be made from an IRA (other than a SEP or SIMPLE-IRA) and contributed to the health savings account of an individual in a direct trustee-to-trustee transfer. If eligible, the amount of the distribution will not be includable in income and is limited to the statutory maximum contribution allowed for such HSA eligible individual, reduced by any other contributions made to the HSA for that year. The distribution is not subject to the 10% early withdrawal penalty if taken prior to age 59½.

**Qualified Reservist Distribution.** A “qualified reservist distribution” may be made from a qualified plan or an IRA by an individual ordered or called into active duty for a period of more than 179 days of active duty or for an indefinite period of time after September 11, 2001, and before December 31, 2007. The amount distributed may be recontributed to an IRA at any time during a two year period after the end of active duty. The distribution is not subject to the 10% early withdrawal penalty if taken prior to age 59½.

**Qualified Charitable Distribution.** Qualified charitable distributions may be made from an IRA (other than an active SEP or SIMPLE IRA), and excluded from income, after the IRA owner has reached 70½ if directly transferred to a qualifying charitable organization, up to a maximum of \$100,000 per year for tax years 2006 and 2007. The entire amount must otherwise be includable in income and otherwise tax deductible as a charitable contribution. The distribution may be used to satisfy the IRA's minimum required distribution and is not subject to withholding.

### Required Minimum Distributions (RMDs)

**Inherited IRA rolled over from a qualified plan by a Non-Spouse Beneficiary.** To the extent an individual who is a non-spouse beneficiary has rolled over inherited qualified plan assets from a qualified plan, 403(b) plan, or governmental 457(b) plan into an inherited IRA, the following special rules apply:

In general, the minimum required distribution (MRD) rules of the deceased participant's employer-sponsored plan for non-spouse beneficiaries also apply to the Inherited IRA. This is usually either the 5-year rule ((401(a)(9)(B)(ii)) or the life expectancy rule ((401(a)(9)(B)(iii)). EXCEPTION: If the 5-year rule applies, the non-spouse beneficiary may use the life expectancy rule if the rollover is made prior to the end of the year following the year of the participant's death, but not after that. If the participant died after his/her required beginning date, the life expectancy rule applies.

**For additional information on changes affecting your IRA, please review IRS Publication 590, or contact your investment professional. You should review these changes carefully. As always, you are encouraged to consult a tax advisor with respect to any tax questions or to determine how these changes may affect your personal situation.**

# Fidelity Roth Individual Retirement Account

The following information is generally applicable for tax years beginning after December 31, 2001 and is provided to you in accordance with the requirements of the Internal Revenue Code (the "Code") and should be reviewed in conjunction with both the Custodial Agreement and the Application for this Roth Individual Retirement Account ("Roth IRA"). This Roth IRA is a custodial account (the "Account") created to provide for the Depositor's retirement and for the support of the Depositor, or following the death of the Depositor, the Beneficiary(ies). Interests in the Account are nonforfeitable.

The terms used in this Disclosure Statement have the meaning set forth in Article IX of the Custodial Agreement for this Roth IRA unless a different meaning is clearly required by the context. Except as otherwise noted or as clearly required by the context, "You" and "Your" refer to the Depositor for whose benefit the Roth IRA is originally established and following the death of the Depositor, "You" or "Your" refers to the Beneficiary. **Neither the Custodian, the Company nor any affiliate or agent thereof provides tax or legal advice. As a result, you are strongly encouraged to seek competent tax or legal advice for any and all matters regarding this Roth IRA, with regard to your specific situation, as such matters may result in adverse tax consequences and/or penalties.**

**Right to Revoke.** If you do not receive this Disclosure Statement at least seven (7) calendar days prior to the establishment of this Roth IRA, you may revoke this Account by mailing or delivering a request for revocation, in a form and manner acceptable to the Custodian, within seven (7) calendar days after the establishment date of your Account. You will be deemed to have received this Disclosure Statement unless a request to receive this information is made to the Custodian at the location below within seven (7) calendar days following acceptance by the Custodian of your Roth IRA as evidenced by notification by or on behalf of the Custodian. Your revocation request must be delivered, in a form and manner acceptable to the Custodian, to:

For mutual fund and brokerage Roth IRAs:

**Fidelity Investments**  
Attn: Client Services  
P.O. Box 770001  
Cincinnati, OH 45277-0045

Or

**Overnight and Certified**  
**Fidelity Investments**  
Attn: Client Services  
100 Crosby Parkway KC1K-PR  
Covington, KY 41015

Upon revocation, you will receive a full refund of your initial contribution (or transfer of assets as applicable), including sales commissions (if any) and/or administrative fees. If you have any questions relative to revoking the Account, please call our 24-hour, toll-free number, 1-800-544-4774.

**Types of IRAs.** *The following account types are available under the Fidelity Roth Individual Retirement Account Custodial Agreement and Disclosure Statement.*

## Accounts for Depositors.

**Roth IRA.** If you have "compensation" and your tax filing status and "adjusted gross income" satisfy certain requirements, you may make annual non-deductible contribution(s) of up to the maximum amount allowed under current law to a Roth IRA. You may also be able to convert an existing non-Roth IRA to your Roth IRA, depending on your adjusted gross income. The income earned on the amounts contributed to a Roth IRA will not be subject to tax upon distribution, provided certain requirements are met. If you are married and filing a joint tax return with your spouse, your spouse may also make a contribution to a separate Roth IRA established for his or her exclusive benefit, even if your spouse had no compensation for that year.

## Accounts for Beneficiaries

**Inherited Roth IRA.** If you are a beneficiary who inherits a Roth IRA from a deceased Depositor (or deceased Beneficiary), you may maintain the tax deferred status of those inherited assets in an Inherited Roth IRA. Contributions are not permitted to be made to an Inherited Roth IRA. An Inherited Roth IRA may also be

referred to as a Roth Beneficiary Distribution Account (Roth IRA BDA). A beneficiary of an Inherited Roth IRA is generally required to take annual minimum distributions from the account.

Note: For purposes of this Disclosure Statement, "**Compensation**" refers to wages, salaries, professional fees, or other amounts derived from or received for personal service actually rendered and includes the earned income of a self-employed individual, and any alimony or separate maintenance payment includible in your gross income. For self-employed individuals, compensation means earned income. "**Adjusted Gross Income**" ("AGI") is determined prior to adjustments for personal exemptions and itemized deductions. For purposes of determining eligibility to make a Roth IRA contribution, AGI is modified to take into account any taxable benefits under the Social Security and the Railroad Retirement Acts, and passive loss limitations under Code Section 469, except that you should disregard deductions for contributions to IRAs maintained under Section 408 of the Code for the particular tax year, Code Sections 135, 137, 911 and income otherwise resulting from the conversion of an IRA maintained under Section 408 of the Code to a Roth IRA. For tax years beginning after December 31, 2004, any amount included in income as a result of a minimum required distribution from an IRA, pursuant to Section 408(d)(6) of the Code, shall be excluded from AGI for purposes of determining an individual's eligibility to make a conversion contribution to a Roth IRA.

**Account Information.** *The following information may apply to both Depositors and Beneficiaries, except as otherwise clearly indicated.*

**Designation of Beneficiary.** You should designate a Beneficiary(ies) to receive the balance of your Account upon your death. The Beneficiary(ies) must be designated on your Account Application, or in another form and manner acceptable to the Custodian. If you are a Beneficiary and you maintain an Inherited Roth IRA, you should designate a Successor Beneficiary in a form and manner acceptable to the Custodian. The assets remaining in your Account will be distributed upon your death to the Beneficiary(ies) or Successor Beneficiary(ies) named by you on record with the Custodian in accordance with the provisions of the Fidelity Roth IRA Custodial Agreement. Please refer to Article IX, Section 8 of your Custodial Agreement ("Designation of Beneficiary") for more information. If a Beneficiary you designate is not a U.S. citizen or other U.S. person (including a resident alien individual) at the time of your death, distribution options from the Account and the tax treatment of such distributions may be more restrictive.

**Investment of Account.** The assets in your Account will be invested in accordance with instructions communicated from you (or your Authorized Agent, if any). You should read any publicly available information (e.g., prospectuses, annual reports, etc.) which would enable you to make an informed investment decision, and take into account your overall investment portfolio, your tolerance for risk, the time frame of your investments, and the various tax consequences of your actions. You should periodically review your investments, and make any adjustments that you feel may be necessary. If no investment instructions are received from you, or if the instructions received are, in the opinion of the Custodian, incomplete or unclear, or might result in an erroneous transaction, you may be requested to provide further instructions or other information. In the absence of such instructions or information, all or a part of your investment may 1) remain uninvested pending instructions or information from you or your Authorized Agent, if any, 2) be returned to you, or 3) may be invested in Money Market Shares, which strive to maintain a stable \$1 per share value. No part of your Account may be invested in life insurance or be commingled with other property, except in a common trust fund or common investment fund. Keep in mind that with respect to investments in regulated investment company shares (i.e., mutual funds) or other securities held in your Account, growth in the value of your Account cannot be guaranteed or projected by the Custodian.

**Contributions.** *The following information about Contributions applies to Roth IRA Depositors only. It does not apply to a Beneficiary (or Successor Beneficiary) or to an Inherited Roth.*

## Types of Contributions.

**Annual Contributions.** You may make annual contributions to your Roth IRA anytime up to and including the due date, not including extensions, for filing your tax return for the year for which the contribution is made (generally April 15th).

Contributions (other than rollover, recharacterized or conversion contributions in a form and manner acceptable to the Custodian) must be made in cash and not in-kind. All contributions to a Roth IRA are nondeductible.

**Catch-Up Contributions.** If you are at least age 50 by December 31 of the calendar year to which a contribution relates, you may make a “catch-up” contribution to your Roth IRA, in addition to the annual contribution. It is your responsibility to ensure that you meet the requirements for making a catch-up contribution, and for ensuring that you do not exceed the limits as applicable.

**Conversion Contributions.** You may contribute all or any part of a distribution from an IRA, other than a Roth IRA, including a SEP IRA, SARSEP IRA, or SIMPLE-IRA, to a Roth IRA (“conversion contribution”) within 60 days or by means of a trustee-to-trustee transfer, provided the amount is otherwise eligible to be rolled over. For these purposes, the one-rollover-per-year rule does not apply. You will be subject to income tax on the taxable portion of any conversion contribution, but the premature distribution penalty will not apply. Assets held in a SIMPLE-IRA may be converted to a Roth IRA only after the expiration of the two-year period beginning on the date your employer first made contributions to your SIMPLE-IRA Plan maintained by your employer and as more fully described in Section 72(t)(6) of the Code. However, distributions from tax qualified plans (for example, pension, profit-sharing and Keogh plans) may not be contributed directly to a Roth IRA. This taxable portion is the amount that would have been included in your income if you had actually taken a distribution from such IRA (the “conversion amount”). Please note that withholding taxes from a Roth IRA Conversion may make you ineligible for a Roth IRA Conversion, as amounts withheld from a Roth IRA Conversion are used in determining conversion AGI eligibility. If you are under age 59½, you will be subject to a 10% early withdrawal penalty on any amounts distributed from your IRA and not converted to a Roth IRA within 60 days.

**Sixty-Day Rollover Contributions.** If you have taken a distribution of all or part of your assets from your Roth IRA, you may make a rollover contribution of the same property into the same Roth IRA, another Roth IRA, or an individual retirement annuity established as a Roth IRA under Code Section 408A, provided the rollover contribution is made within 60 days of your receipt of the distribution. This rollover treatment does not require you to include the distribution in your ordinary income if it is reinvested within the 60-day period, and it allows you to maintain the tax-deferred status of these assets. A 60-day rollover can be made from a Roth IRA once every 12 months. All or any part of an amount distributed for a qualified first-time home purchase of a principal residence which does not materialize, can be returned or rolled over to your Roth IRA. In such instance, the 60 days is extended to 120 days, and the rollover will not count for purposes of the “once every 12 months rule” mentioned above. Under certain circumstances, the 60-day rollover requirement may be waived, if IRS requirements are met.

**Excess Contributions.** Roth IRA contributions which exceed the allowable maximum per year, impermissible rollovers, and conversion contributions in any year in which your AGI exceeds \$100,000 which remain in a Roth IRA beyond the tax-filing deadline for the year for which the contribution relates are considered excess contributions. An excise tax of 6% of the excess amount contributed will be incurred for each year in which the excess contribution remains in your Roth IRA. You may correct an excess contribution and avoid the 6% penalty tax for that year by withdrawing the excess contribution and its earnings, if any, on or before the due date, including extensions, for filing your federal tax return for the year. The amount of the excess contribution withdrawn will not be considered a premature distribution nor be taxed as ordinary income, but any earnings withdrawn will be taxed as ordinary income to you and may be subject to a 10% early withdrawal penalty if you are under age 59½. Alternatively, excess contributions may be carried forward and reported in the next year to the extent that the excess, when aggregated with any annual Roth IRA contribution for the subsequent year, does not exceed the maximum amount for that year. The 6% excise tax will be imposed on excess contributions in each year they are not returned or applied as contributions.

**Recharacterized Contributions.** You may elect, in a form and manner acceptable to the Custodian, to transfer (“recharacterize”) via a trustee-to-trustee transfer of assets any contribution in your Roth IRA (the “Initial IRA”), to another IRA (“the Second IRA”), or vice versa. Any net income attributable to a contribution that is recharacterized must be transferred to the Second IRA. You may also elect to recharacterize an amount converted to your Roth IRA back to an IRA. The election to recharacterize any contribution and the trustee-to-trustee transfer must be completed on or before the due date (generally April 15), including extensions, for filing your federal income tax return for the year for which the contribution to the Initial IRA relates. The amount(s) that is recharacterized is treated as having been originally contributed to the Second IRA on the same date and for the same taxable year that the amount was contributed to your Initial IRA. You may not reconvert an amount previously converted and recharacterized before the later of January 1 of the taxable year following the taxable year in which the conversion is made, or the end of the thirty (30) day period beginning on the day a recharacterization is transferred back to the Initial IRA.

#### Annual Roth IRA Contribution Limits.

**General.** You may make annual Roth IRA contributions of up to the lesser of 100% of your compensation, or the maximum amount allowed under current law. The maximum annual contribution limit for your Roth IRA is reduced by the amount

of any contributions you make to any other IRAs, including Traditional IRAs, but excluding any employer contributions, such as salary deferral contributions made to a SARSEP IRA or a SIMPLE IRA, for the particular tax year. If you are at least age 50 by December 31 of the tax year to which the contribution relates, you may make an additional “catch-up” contribution. The maximum annual contribution limits for aggregate IRA and Roth IRA contributions for the following tax years are:

Tax Years	Annual IRA Contribution Limit	Annual IRA Catch-Up Contribution for Depositor at Least Age 50	Maximum Annual IRA Contribution Limit for Depositor at Least Age 50 (including Catch-Up)
2007	\$4,000	\$1,000	\$5,000
2008 and thereafter	\$5,000*	\$1,000	\$6,000

\*After 2008, the maximum annual IRA contribution limit will be indexed for cost-of-living in \$500 increments.

**AGI Limits for Contributions.** The amount of annual contributions may be limited depending on your AGI. Eligibility to contribute to a Roth IRA is phased out for AGI of \$99,000 – \$114,000 for individuals, for AGI of \$156,000 – \$166,000 for married couples filing joint returns, and AGI of \$0 – \$10,000 for married couples filing separate returns. The maximum annual Roth IRA contribution is reduced proportionately for AGI that exceeds the applicable dollar amount. The applicable dollar amount for individuals is \$99,000, \$156,000 for married couples filing joint returns and \$0 for married individuals filing separate returns. Married individuals filing separate returns who have lived apart at all times during the past year are treated as individuals for purposes of determining AGI limits for contributions. To determine the amount of your maximum annual Roth IRA contribution, you may use the following calculation:

1. Subtract the applicable dollar amount specified above from your AGI. If the result is \$15,000 or more (\$10,000 or more for married couples filing joint returns), stop; you cannot make an annual Roth IRA contribution.
2. Subtract the figure in 1 above from \$15,000 (\$10,000 for married couples filing joint returns).
3. Divide the result from 2 above by \$15,000 (\$10,000 for married couples filing joint returns).
4. Multiply the applicable annual contribution limit amount by the fraction resulting from 3 above. This is the maximum annual Roth IRA contribution per individual.

If the annual Roth IRA contribution limit is not a multiple of \$10, then it is to be rounded up to the next highest \$10 multiple. No dollar limit shall be reduced below \$200 unless such limitation is reduced to zero. The contribution to a Roth IRA for a married individual filing a separate return is phased out when AGI is between \$0 and \$10,000.

**AGI Limits for Conversion Contributions.** Eligibility to make a conversion from an IRA, other than a Roth IRA, to a Roth IRA is phased out for individuals and married couples filing joint returns in any calendar year in which AGI exceeds \$100,000. Married couples filing separate returns, other than married individuals who live apart from his or her spouse for the entire taxable year, are not permitted to make a conversion contribution. If you have reached age 70½, your minimum required distribution under Sections 408(a)(6) and 401(a)(9) of the Code and applicable regulations must be satisfied with respect to each IRA, other than a Roth IRA, prior to making a conversion contribution for such year. The amount of any minimum distribution from an IRA other than a Roth IRA required for the year of the conversion cannot be converted to a Roth IRA.

**Tax credit for IRA contributions.** You may be able to receive a non-refundable tax credit for your contribution to your Roth IRA. The maximum annual contribution amount eligible for the credit is \$2,000 per person. Eligibility for the credit, which is a percentage of the contribution amount, is determined by your AGI as indicated in the chart below, as well as other requirements.\*

\*SAVER's AGI limits will be indexed for cost-of-living in \$500 increments.

Joint Filers (AGI)	Heads of Households (AGI)	All Other Filers (AGI)	Credit Rate	Maximum Credit
\$0–\$31,000	\$0–\$23,250	\$0–\$15,500	50%	\$1,000
\$31,001–\$34,000	\$23,251–\$25,500	\$15,501–\$17,000	20%	\$400
\$34,001–\$52,000	\$25,501–\$39,000	\$17,001–\$26,000	10%	\$200
Over \$52,000	Over \$39,000	Over \$26,000	0%	\$0

**Distributions.** The following information about Distributions may apply to both Depositors and Beneficiaries, except as otherwise clearly indicated.

**General.** Distributions from the Account will only be made upon your request (or, with your prior authorization and the consent of the Custodian, the request of the Authorized Agent) in a form and manner acceptable to the Custodian.

However, the Custodian may make a distribution from the Account without such instruction if directed to do so by a levy or court order, or in the event of the Custodian's resignation. Distributions from the Account are not required to begin when the Depositor turns age 70½, however minimum distribution requirements under Sections 408(a)(6) and 401(a)(9) of the Code and applicable regulations do apply to Beneficiaries after the Depositor's death. Distributions from the Account generally will not be included in gross income for federal income tax purposes for the year in which they are received provided, however, that the distribution is made after the Five-Year Period beginning January 1 of the year for which the Depositor's first annual Roth IRA contribution is made, or, if earlier, January 1 of the year in which the Depositor's first conversion contribution is made (the "Five-Year Period") AND (i) on or after the date the Depositor attains age 59½; or (ii) after the Depositor dies or becomes disabled, or (iii) it is a qualified first-time home buyer distribution (up to a lifetime maximum of \$10,000). The Depositor has one Five-Year Period for all of his or her Roth IRAs for purposes of determining qualified distributions. It is your responsibility to recordkeep the Five-Year Period and determine whether a distribution qualifies as a tax-free distribution.

If distributions do not meet the requirements for qualified distributions, they will be includible in income to the extent of any earnings on contributions. Distributions are treated as being made first from aggregate annual Roth IRA contributions and if aggregate distributions exceed aggregate annual contributions, then from amounts converted from IRAs, other than a Roth IRA, on a first-in, first-out basis, and lastly from any earnings. Distributions allocated to converted amounts are treated as coming first from the portion of the converted amount that was required to be included in the Depositor's gross income as a result of the conversion. Only when distributions from all the Depositor's Roth IRAs exceed all annual contributions and conversion contributions to his or her Roth IRA will any earnings attributable to these contributions be taxed. Such distributions that do not meet the requirements of qualified distributions will be taxed as ordinary income in the year received and may be subject to the 10% early withdrawal penalty.

**Premature Distributions to Roth IRA Depositors.** To the extent distributions are not a return of a previous Roth IRA contribution or to the extent that they are attributable to a conversion contribution and are made before the expiration of the Five-Year Period, distributions from a Roth IRA(s) made before the Depositor reaches age 59½ will be subject to a nondeductible 10% early withdrawal penalty (in addition to being taxable as ordinary income to the extent includible in income). Exceptions to this 10% early withdrawal penalty are available if the distribution is made on account of the Depositor's death or disability, or if the distribution is:

- part of a series of substantially equal periodic payments made not less frequently than annually over the Depositor's life or life expectancy or the joint life expectancies of the Depositor and the Depositor's Beneficiary, for qualified medical expenses in excess of 7.5% of the Depositor's AGI,
- to cover qualified health insurance premiums of certain unemployed individuals,
- used to acquire a first-time principal residence for the Depositor, the Depositor's spouse, the Depositor or the Depositor's spouse's children, grandchildren, or ancestors (subject to a \$10,000 lifetime limit from all the Depositor's IRAs, including any Roth IRAs),
- used to pay qualified higher education expenses for the Depositor, the Depositor's spouse, the Depositor's children, or grandchildren, or the children or grandchildren of the Depositor's spouse, or
- made on account of an IRS levy, as described in Code Section 6331.

You, as Depositor, are strongly encouraged to consult with your tax advisor to see if an exception to the early withdrawal penalty applies before requesting any distribution prior to age 59½. You, as Beneficiary, are also strongly encouraged to consult a tax advisor prior to requesting any distribution after the Depositor's death.

**Distribution After Death of the Depositor.** If you are a Beneficiary and have inherited a Roth IRA from a Depositor who died after reaching age 70½, you must generally begin receiving distributions by December 31 of the year following the year of the Depositor's death. Special rules apply for spousal beneficiaries and entity beneficiaries. Special rules may also apply to beneficiaries who are not citizens of the United States. Successor Beneficiaries must continue distributions under the original Beneficiary's payment schedule, unless a faster distribution schedule is selected.

If you, as Beneficiary, do not meet the minimum distribution requirements for the Account, you may be subject to a penalty tax of 50% of the difference between the minimum required distribution for the tax year and the amount actually received during such year. The Five-Year Period described above is not redetermined after the Depositor's death. Therefore, once a Roth IRA is held in the name of a Beneficiary in an Inherited Roth IRA, the Five-Year Period will include the period the Roth IRA was

held by the Depositor, unless the Depositor's surviving spouse elects to treat the Roth IRA as his or her own, and has an earlier Five-Year Period than the Depositor did.

---

**Miscellaneous.** *The following information may apply to both Depositors and Beneficiaries, except as otherwise clearly indicated.*

**Other Considerations with Respect to the Account.**

**Divorce or Legal Separation.** If all or any portion of your Account is awarded to a former spouse or spouse pursuant to divorce or legal separation, such portion can be transferred to a Roth IRA in the receiving spouse's name. This transaction can be processed without any tax implications to you provided a written instrument specifically directing such transfer is executed by a court incident to the divorce or legal separation in accordance with Code Section 408(d)(6) is received and accepted by the Custodian. The Custodian may require other direction from you and the recipient of any portion of your Account.

**Fees and Expenses.** Fees and other expenses of maintaining and terminating your Account, if any, are described in the Schedule of Fees, which accompanies this Disclosure Statement (or in some other manner acceptable to the Custodian), and may be changed from time to time, as provided in the Custodial Agreement.

**Prohibited Transactions.** If any of the events prohibited by Code Section 4975 (such as any sale, exchange or leasing of any property between you and your Account, or the purchase of any securities on margin in your Account) occurs during the existence of your Account, your Account will be disqualified and the entire balance in your Account will be treated as if distributed to you as of the first day of the year in which the prohibited event occurs. If all or any part of the Account is pledged as security for a loan, then the portion so pledged will be treated as if distributed to you. Such distributions would be subject to ordinary income tax and, if you are a Depositor under age 59½ at the time, to a 10% tax penalty on premature distributions.

**Other Tax Considerations.**

**Tax Withholding.** Federal income tax will generally not be withheld from distributions you receive from the Account unless you elect to have such tax withheld or the distribution represents earnings attributable to an excess contribution(s). For the portion of a distribution representing earnings attributable to an excess contribution(s), federal income tax will automatically be withheld at a rate of 10%, unless you elect out of withholding or request withholding at a higher rate. In addition, state income tax will generally not be withheld from your Roth IRA distributions, unless you elect to have such tax withheld or the distribution represents earnings attributable to an excess contribution(s).

**No Special Tax Treatment.** No distribution to you or anyone else from your Account can qualify for capital gain treatment under the federal income tax laws. The taxable portion of the distribution is taxed to the person receiving it as ordinary income. There are no special averaging rules applicable to distributions from your Account.

**Reporting for Tax Purposes.** If you are a Depositor, contributions and distributions must be reported by you on such forms as the IRS may require. Contributions to a Roth IRA are not deductible on tax Form 1040 or 1040A for the taxable year contributed. If you are a Beneficiary, distributions must also be reported by you on such forms as the IRS may require. Taxable portions of non-qualified distributions from a Roth IRA must be reported on tax Form 1040 or 1040A for the taxable year of the distribution. Other reporting will be required by you in the event that special taxes or penalties described herein are due. You may also be responsible for filing IRS Form 8606 to calculate the amount includible in gross income due to conversions or distributions, and to account for any recharacterization of contributions or conversions. You must also file Treasury Form 5329 (or such other form(s) as the IRS may require) with the IRS for each taxable year for which the contribution limits are exceeded, or a premature distribution takes place from your Roth IRA(s).

**IRS Approval.** The form of this Roth IRA is the model government form provided by the IRS known as Form 5305-RA. For more information on Roth IRAs, please refer to IRS Publication 590 or contact the IRS.



# Fidelity IRA

## Fidelity Individual Retirement Account Under Section 408(a) of the Internal Revenue Code

The Depositor whose name appears on the accompanying Application is establishing a traditional individual retirement account (under Section 408(a) of the Internal Revenue Code) to provide for his or her retirement and for the support of his or her beneficiaries after death. The Custodian named on the accompanying Application has given the Depositor the Disclosure Statement required under the Income Tax Regulations under Section 1.408-6. The Depositor has deposited with the Custodian an initial contribution in cash, as set forth in the accompanying Application. The Depositor and the Custodian make the following Agreement:

### Article I

Except in the case of a rollover contribution described in section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16), an employer contribution to a simplified employee pension plan as described in section 408(k), or a recharacterized contribution described in section 408A(d)(6), the Custodian will accept only cash contributions up to \$3,000 per year for tax years 2002 through 2004. That contribution limit is increased to \$4,000 for tax years 2005 through 2007 and \$5,000 for 2008 and thereafter. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$3,500 per year for tax years 2002 through 2004, \$4,500 for 2005, \$5,000 for 2006 and 2007, and \$6,000 for 2008 and thereafter. For tax years after 2008, the above limits will be increased to reflect a cost-of-living adjustment, if any.

### Article II

The Depositor's interest in the balance in the Custodial Account is nonforfeitable.

### Article III

**1.** No part of the Custodial Account funds may be invested in life insurance contracts, nor may the assets of the Custodial Account be commingled with other property except in a common trust fund or common investment fund (within the meaning of section 408(a)(5)).

**2.** No part of the Custodial Account funds may be invested in collectibles (within the meaning of section 408(m)) except as otherwise permitted by section 408(m)(3), which provides an exception for certain gold, silver, and platinum coins, coins issued under the laws of any state, and certain bullion.

### Article IV

**1.** Notwithstanding any provision of this agreement to the contrary, the distribution of the Depositor's interest in the Custodial Account shall be made in accordance with the following requirements and shall otherwise comply with section 408(a)(6) and the regulations thereunder, the provisions of which are herein incorporated by reference.

**2.** The Depositor's entire interest in the Custodial Account must be, or begin to be, distributed not later than the Depositor's required beginning date, April 1 following the calendar year in which the Depositor reaches age 70½. By that date, the Depositor may elect, in a manner acceptable to the Custodian, to have the balance in the Custodial Account distributed in:

- (a) A single sum or
- (b) Payments over a period not longer than the life of the Depositor or the joint lives of the Depositor and his or her designated beneficiary.

**3.** If the Depositor dies before his or her entire interest is distributed to him or her, the remaining interest will be distributed as follows:

- (a) If the Depositor dies on or after the required beginning date and:
  - (i) the designated beneficiary is the Depositor's surviving spouse, the remaining interest will be distributed over the surviving spouse's life expectancy as determined each year until such spouse's death, or over the period in paragraph (a)(iii) below if longer. Any interest remaining after the spouse's death will be distributed over such spouse's remaining life expectancy as determined in the year of the spouse's death and reduced by 1 for each subsequent year, or, if distributions are being made over the period in paragraph (a)(iii) below, over such period.

- (ii) the designated beneficiary is not the Depositor's surviving spouse, the remaining interest will be distributed over the beneficiary's remaining life expectancy as determined in the year following the death of the Depositor and reduced by 1 for each subsequent year, or over the period in paragraph (a)(iii) below if longer.

- (iii) there is no designated beneficiary, the remaining interest will be distributed over the remaining life expectancy of the Depositor as determined in the year of the Depositor's death and reduced by 1 for each subsequent year.

- (b) If the Depositor dies before the required beginning date, the remaining interest will be distributed in accordance with (i) below or, if elected or there is no designated beneficiary, in accordance with (ii) below:

- (i) The remaining interest will be distributed in accordance with paragraphs (a)(i) and (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), starting by the end of the calendar year following the year of the Depositor's death. If, however, the designated beneficiary is the Depositor's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the Depositor would have reached age 70½. But, in such case, if the Depositor's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with (a)(ii) above (but not over the period in paragraph (a)(iii), even if longer), over such spouse's designated beneficiary's life expectancy, or in accordance with (ii) below if there is no such designated beneficiary.

- (ii) The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Depositor's death.

- 4.** If the Depositor dies before his or her entire interest has been distributed and if the designated beneficiary is not the Depositor's surviving spouse, no additional contributions may be accepted in the Account.

- 5.** The minimum amount that must be distributed each year, beginning with the year containing the Depositor's required beginning date, is known as the "required minimum distribution" and is determined as follows:

- (a) The required minimum distribution under paragraph 2(b) for any year, beginning with the year the Depositor reaches age 70½, is the Depositor's Account value at the close of business on December 31 of the preceding year divided by the distribution period in the uniform lifetime table in Regulations section 1.401(a)(9)-9. However, if the Depositor's designated beneficiary is his or her surviving spouse, the required minimum distribution for a year shall not be more than the Depositor's Account value at the close of business on December 31 of the preceding year divided by the number in the joint and last survivor table in Regulations section 1.401(a)(9)-9. The required minimum distribution for a year under this paragraph (a) is determined using the Depositor's (or, if applicable, the Depositor and spouse's) attained age (or ages) in the year.
- (b) The required minimum distribution under paragraphs 3(a) and 3(b)(i) for a year, beginning with the year following the year of the Depositor's death (or the year the Depositor would have reached age 70½, if applicable under paragraph 3(b)(i)) is the Account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9) of the individual specified in such paragraphs 3(a) and 3(b)(i).
- (c) The required minimum distribution for the year the Depositor reaches age 70½ can be made as late as April 1 of the following year. The required minimum distribution for any other year must be made by the end of such year.

- 6.** The owner of two or more traditional IRAs may satisfy the minimum distribution requirements described above by taking from one traditional IRA the amount required to satisfy the requirement for another in accordance with the regulations under section 408(a)(6).

### Article V

- 1.** The Depositor agrees to provide the Custodian with all information necessary to prepare any reports required by section 408(i) and Regulations sections 1.408-5 and 1.408-6.

**2.** The Custodian agrees to submit to the Internal Revenue Service (IRS) and Depositor the reports prescribed by the IRS.

## Article VI

Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through III and this sentence will be controlling. Any additional articles inconsistent with section 408(a) and the related regulations will be invalid.

## Article VII

This agreement will be amended as necessary to comply with the provisions of the Code and the related regulations. Other amendments may be made with the consent of the Depositor and the Custodian.

## Article VIII

**1.** Definitions. The following definitions shall apply to terms used in this Agreement:

- (a) "Account" or "Custodial Account" means the custodial account established hereunder for the benefit of the Depositor (or following the death of the Depositor, the Beneficiary).
- (b) "Agreement" means the Fidelity IRA Custodial Agreement and Disclosure Statement, including the information and provisions set forth in any Application that goes with this Agreement, as may be amended from time to time. This Agreement, including the Account Application and any designation of Beneficiary filed with the Custodian, may be proved either by an original copy or by a reproduced copy thereof, including, without limitation, a copy reproduced by photocopying, facsimile transmission, electronic record or electronic imaging.
- (c) "Account Application" or "Application" shall mean the Application and the accompanying instructions, as may be amended from time to time, by which this Agreement is established between the Depositor (or following the death of the Depositor, the Beneficiary) and the Custodian. The statements contained therein shall be incorporated into this Agreement.
- (d) "Authorized Agent" means the person or persons authorized by the Depositor (or following the death of the Depositor, the Beneficiary) in a form and manner acceptable to the Custodian to purchase or sell Shares or Other Funding Vehicles in the Depositor's (or following the death of the Depositor, the Beneficiary's) Account and to perform the duties and responsibilities on behalf of the Depositor (or following the death of the Depositor, the Beneficiary) as set forth under this Agreement. The Custodian shall have no duty to question the authority of any such Authorized Agent.
- (e) "Beneficiary" shall mean the person(s) or entity (including a trust or estate, in which case the term may mean the trustee or personal representative acting in their fiduciary capacity) designated as such by the Depositor (or, following the death of the Depositor, designated as such by a Beneficiary) (i) in a manner acceptable to and filed with the Custodian pursuant to Article VIII, Section 7 of this Agreement, or (ii) pursuant to the default provisions of Article VIII, Section 7 of this Agreement.
- (f) "Code" shall mean the Internal Revenue Code of 1986, as amended.
- (g) "Company" shall mean FMR LLC, a Delaware corporation, or any successor or affiliate thereof to which FMR LLC may, from time to time, delegate or assign any or all of its rights or responsibilities under this Agreement.
- (h) "Conversion Amount" shall mean all or any part of a distribution from an IRA other than a Roth IRA (including a SEP IRA, SARSEP IRA, or a SIMPLE IRA) deposited in a Roth IRA.
- (i) "Custodian" shall mean Fidelity Management Trust Company or its successor(s) or affiliates. Custodian shall include any agent of the Custodian as duly appointed by the Custodian.
- (j) "Depositor" means the person named in the Account Application establishing an Account for the purpose of making contributions to an individual retirement account as provided for under the Code. This term shall not include a Beneficiary who establishes an Account with the Custodian after the death of the Depositor.
- (k) "Investment Company Shares" or "Shares" shall mean shares of stock, trust certificates, or other evidences of interest (including fractional shares) in any corporation, partnership, trust, or other entity registered under the Investment Company Act of 1940 for which Fidelity Management & Research Company, a Massachusetts corporation, or its successors or affiliates (collectively, for purposes of this Agreement "FMR") serves as investment advisor.
- (l) "Money Market Shares" shall mean any Investment Company Shares which are issued by a money market mutual fund.
- (m) "Other Funding Vehicles" shall include (i) all marketable securities traded over the counter or on a recognized securities exchange which are eligible for registration on the book entry system maintained by the Depository Guaranty Trust Company ("DTC") or its successors; (ii) if permitted by the Custodian, interest bearing accounts of the Custodian, and (iii) such other non-DTC eligible assets (but not including futures contracts) which are permitted to be acquired under a custodial account pursuant to Section 408(a) of the Code and which are

acceptable to the Custodian. Notwithstanding the above, the Custodian reserves the right to refuse to accept and hold any specific asset. All assets of the Custodial Account shall be registered in the name of the Custodian or its nominee, but such assets shall generally be held in an Account for which the records are maintained on a proprietary recordkeeping system of the Company.

**2. Investment of Contributions.** Contributions to the Account may only be invested in Investment Company Shares and Other Funding Vehicles. The Custodian reserves the right to refuse to accept and hold any specific asset, including tax-free investment vehicles. Contributions shall be invested as follows:

- (a) *General.* Contributions (including transfers of assets) will be invested in accordance with the Depositor's (the Authorized Agent's or, following the death of the Depositor, the Beneficiary's) instructions in the Application, or as the Depositor (the Authorized Agent, or following the death of the Depositor, the Beneficiary) directs in a form and manner acceptable to the Custodian, and with subsequent instructions given by the Depositor (the Authorized Agent or, following the death of the Depositor, the Beneficiary), as the case may be to the Custodian in a form and manner acceptable to the Custodian. By giving such instructions to the Custodian, such person will be deemed to have acknowledged receipt of the then-current prospectus for any Investment Company Shares or Other Funding Vehicles in which the Depositor (the Authorized Agent or, following the death of the Depositor, the Beneficiary) directs the Custodian to invest assets in the Account. All charges incidental to carrying out such instructions shall be charged and collected in accordance with Article VIII, Section 18.
- (b) *Initial Contribution.* The Custodian will invest all contributions (including transfers of assets) promptly after the receipt thereof. However, the Custodian shall not be obligated to invest the Depositor's initial contribution (or the Beneficiary's initial transfer of assets) to this Custodial Account as indicated on the Application, until at least seven (7) calendar days have elapsed from the date of acceptance of the Application by or on behalf of the Custodian. The Depositor (or following the death of the Depositor, the Beneficiary) shall be deemed to have received a copy of the Disclosure Statement which accompanies this Agreement unless a request for revocation is made to the Custodian within seven (7) calendar days following the acceptance of the Application by or on behalf of the Custodian as evidenced by notification to the Depositor (or following the death of the Depositor, the Beneficiary) in a form and manner acceptable to the Custodian.
- (c) *Incomplete, Unclear or Unacceptable Instructions.* If the Custodial Account at any time contains an amount as to which investment instructions in accordance with this Section 2 have not been received by the Custodian, or if the Custodian receives instructions as to investment selection or allocation which are, in the opinion of the Custodian, incomplete, not clear or otherwise not acceptable, the Custodian may request additional instructions from the Depositor (the Authorized Agent or the Beneficiary). Pending receipt of such instructions any amount may (i) remain uninvested pending receipt by the Custodian of clear investment instructions from the Depositor (the Authorized Agent or the Beneficiary), (ii) be invested in Money Market Shares, or (iii) be returned to the Depositor (or following the death of the Depositor, the Beneficiary) as the case may be, and any other investment may remain unchanged. The Custodian shall not be liable to anyone for any loss resulting from delay in investing such amount or in implementing such instructions. Notwithstanding the above, the Custodian may, but need not, for administrative convenience maintain a balance of up to \$100 of uninvested cash in the Custodial Account.
- (d) *Minimum Investment.* Any other provision herein to the contrary notwithstanding, the Depositor (the Authorized Agent or the Beneficiary) may not direct that any part or all of the Custodial Account be invested in Investment Company Shares or Other Funding Vehicles unless the aggregate amount to be invested is at least such amount as the Custodian shall establish from time to time.
- (e) *No Duty.* The Custodian shall not have any duty to question the directions of the Depositor (the Authorized Agent or, following the death of the Depositor, the Beneficiary) in the investment or ongoing management of the Custodial Account or to advise the Depositor (the Authorized Agent or, following the death of the Depositor, the Beneficiary) regarding the purchase, retention or sale of assets credited to the Custodial Account. The Custodian, or any of its affiliates, successors, agents or assigns, shall not be liable for any loss which results from the Depositor's (the Authorized Agent's or the Beneficiary's) exercise of control (whether by his or her action or inaction) over the Custodial Account, or any loss which results from any directions received from the Depositor (the Authorized Agent or, following the death of the Depositor, the Beneficiary) with respect to IRA assets.

## 3. Contributions by Divorced or Separated

**Spouses.** All alimony and separate maintenance payments received by a divorced or separated spouse, and taxable under Section 71 of the Code, shall be considered compensation for purposes of computing the maximum annual contribution to the Custodial Account, and the limitations for contributions by a divorced or separated spouse shall be the same as for any other individual.

**4. Contribution Deadlines.** The following contribution deadlines generally apply to certain transactions within your IRA.

- (a) *Contributions.* The last day to make annual contributions (including catch-up contributions) for a particular tax year is the deadline for filing the Depositor's federal income tax return (not including extensions), or such later date as may be determined by the Department of the Treasury or the Internal Revenue Service for the taxable year for which the contribution relates; provided, however, the Depositor (or the Depositor's Authorized Agent) designates, in a form and manner acceptable to the Custodian, the contribution as a contribution for such taxable year.
- (b) *Recharacterizations.* A contribution that constitutes a recharacterization of a prior IRA or Roth IRA contribution for a particular tax year must be made by the deadline for filing the Depositor's income tax return (including extensions) for such tax year or such later date as authorized by the IRS.

The Custodian will not be responsible under any circumstances for the timing, purpose or propriety of any contribution nor shall the Custodian incur any liability for any tax, penalty, or loss imposed on account of any contribution.

**5. Rollover Contributions.** The Custodian will accept for the Depositor's Custodial Account in a form and manner acceptable to the Custodian all rollover contributions which consist of cash, and it may, but shall be under no obligation to, accept all or any part of any other property permitted as an investment under Code Section 408. The Depositor (or the Depositor's Authorized Agent) shall designate in a form and manner acceptable to the Custodian each rollover contribution as such to the Custodian, and by such designation shall confirm to the Custodian that a proposed rollover contribution qualifies as a rollover contribution within the meaning of Sections 402(c), 403(a)(4), 403(b)(8), 408(d)(3), and/or 457(e)(16) of the Code. The Depositor (or the Depositor's Authorized Agent) shall provide any information the Custodian may require to properly allocate rollover contributions to the Depositor's Account(s). Submission by or on behalf of a Depositor of a rollover contribution consisting of assets other than cash or property permitted as an investment under this Article VIII shall be deemed to be the instruction of the Depositor to the Custodian that, if such rollover contribution is accepted, the Custodian will use its best efforts to sell those assets for the Depositor's Account, and to invest the proceeds of any such sale in accordance with Section 2. The Custodian shall not be liable to anyone for any loss resulting from such sale or delay in effecting such sale; or for any loss of income or appreciation with respect to the proceeds thereof after such sale and prior to investment pursuant to Section 2; or for any failure to effect such sale if such property proves not readily marketable in the ordinary course of business. All brokerage and other costs incidental to the sale or attempted sale of such property will be charged to the Custodial Account in accordance with Article VIII, Section 18. The Custodian will not be responsible for any losses the Depositor may incur as a result of the timing of any rollover from another trustee or custodian that is due to circumstances reasonably beyond the control of the Custodian. It shall be the Depositor's responsibility to ensure that any minimum distribution required by sections 408(a)(6) and 401(a)(9) of the Code and applicable regulations is made prior to giving the Custodian such rollover instructions.

**6. Reinvestment of Earnings.** In the absence of other instructions pursuant to Section 2, distributions of every nature received in respect of the assets in a Depositor's (or following the death of the Depositor, the Beneficiary's) Custodial Account shall be reinvested as follows:

- (a) in the case of a distribution in respect of Investment Company Shares which may be received, at the election of the shareholder, in cash or in additional Shares of an Investment Company, the Custodian shall elect to receive such distribution in additional Investment Company Shares;
- (b) in the case of a cash distribution which is received in respect of Investment Company Shares, the Custodian shall reinvest such cash in additional Shares of that Investment Company;
- (c) in the case of any other distribution of any nature received in respect of assets in the Custodial Account, the distribution shall be liquidated to cash, if necessary, and shall be reinvested in accordance with the Depositor's (the Authorized Agent's, or following the death of the Depositor, the Beneficiary's) instructions pursuant to Section 2.

#### **7. Designation of Beneficiary.**

A Depositor may designate a Beneficiary for his or her Account as follows:

- (a) *General.* A Depositor (or following the death of the Depositor, the Beneficiary) may designate a Beneficiary or Beneficiaries at any time, and any such designation may be changed or revoked at any time, by a designation executed by the Depositor (or following the death of the Depositor, the Beneficiary) in a form and manner acceptable to, and filed with, the Custodian; provided, however, that such designation, or change or revocation of a prior designation, shall not be effective unless it is received and accepted by the Custodian no later than nine months after the death of the Depositor (or following the death of the Depositor, the Beneficiary), and provided, further, that such designation, change or revocation shall not be effective as to any assets distributed or transferred out of the Account (including a transfer to an inherited IRA or Beneficiary Distribution

Account) prior to the Custodian's receipt and acceptance of such designation, change, or revocation. Subject to Sections 9 and 10 below, the Custodian may distribute or transfer any portion of the Account immediately following the death of the Depositor (or following the death of the Depositor, the Beneficiary) under the provisions of the designation then on file with the Custodian, and such distribution or transfer discharges the Custodian from any and all claims as to the portion of the Account so distributed or transferred. The latest such designation or change or revocation shall control except as determined by applicable law. If the Depositor had not by the date of his or her death properly designated a Beneficiary in accordance with the preceding sentence, or if no designated primary or contingent Beneficiary survives the Depositor, the Depositor's Beneficiary shall be his or her surviving spouse, but if he or she has no surviving spouse, his or her estate. If the Depositor designates more than one primary or contingent Beneficiary but does not specify the percentages to which such Beneficiary(ies) is entitled, payment will be made to the surviving Beneficiary(ies), as applicable, in equal shares. Unless otherwise designated by the Depositor in a form and manner acceptable to the Custodian, if a primary or contingent Beneficiary designated by the Depositor predeceases the Depositor, the Shares and Other Funding Vehicles for which that deceased Beneficiary is entitled will be divided equally among the surviving primary and contingent Beneficiary(ies), as applicable. If the Beneficiary is not a U.S. citizen or other U.S. person (including a resident alien individual) at the time of the Depositor's death, the distribution options and tax treatment available to such Beneficiary may be more restrictive. Unless otherwise designated by the Depositor in a form and manner acceptable to the Custodian, if there are no primary Beneficiaries living at the time of the Depositor's death, payment of the Depositor's Account upon his or her death will be made to the surviving contingent Beneficiaries designated by the Depositor. If a Beneficiary does not predecease the Depositor but dies before receiving his or her entire interest in the Custodial Account, his or her remaining interest in the Custodial Account shall be paid to a Beneficiary or Beneficiaries designated by such Beneficiary(ies) as his or her successor Beneficiary in a form and manner acceptable to, and filed with, the Custodian; provided, however, that such designation must be received and accepted by the Custodian in accordance with this section. If no proper designation has been made by such Beneficiary in accordance with this section, distributions will be made to such Beneficiary's estate. Notwithstanding any provision of this Agreement to the contrary, for purposes of distributions calculated and requested pursuant to Article IV, the designated beneficiary within the meaning of Section 401(a)(9)(E) of the Code shall be the individual designated as such by the Depositor. Notwithstanding any provision of this Agreement to the contrary, unless otherwise designated by the Depositor (or following the death of the Depositor, by a Beneficiary) in a form and manner acceptable to the Custodian, when used in this Agreement or in any designation of Beneficiary received and accepted by the Custodian, the term "per stirpes" shall be construed as follows: if any primary or contingent Beneficiary, as applicable, does not survive the Depositor (or following the death of the Depositor, the Beneficiary), but leaves surviving descendants, any share otherwise payable to such beneficiary shall instead be paid to such beneficiary's surviving descendants by right of representation. In all cases, the Custodian shall be authorized to rely on any representation of facts made by the Depositor, the executor or administrator of the estate of the Depositor, any Beneficiary, the executor or administrator of the estate of any Beneficiary, or any other person deemed appropriate by the Custodian in determining the identity of unnamed Beneficiaries.

- (b) *Minors.* If a distribution upon the death of the Depositor (or following the death of the Depositor, the Beneficiary) is payable to a person known by the Custodian to be a minor or otherwise under a legal disability, the Custodian may, in its absolute discretion, make all, or any part of the distribution to (i) a parent of such person, (ii) the guardian, conservator, or other legal representative, wherever appointed, of such person, (iii) a custodial account established under a Uniform Gifts to Minors Act, Uniform Transfers to Minors Act, or similar act, (iv) any person having control or custody of such person, or (v) to such person directly. Notwithstanding anything in this Agreement to the contrary, if the Account is established for a minor under the provisions of either the Uniform Gifts to Minors Act or the Uniform Transfers to Minors Act (to the extent permitted by the Custodian), the beneficiary of such Account while so established and maintained shall be the minor's estate or as otherwise determined in accordance with the applicable state Uniform Gifts to Minors Act or Uniform Transfers to Minors Act.
- (c) *QTIPs and QDOTs.* A Depositor (or following the death of the Depositor, the Beneficiary) may designate as Beneficiary of his or her Account a trust for the benefit of his or her surviving spouse that is intended to satisfy the conditions of Sections 2056(b)(7) or 2056A of the Code (a "Spousal Trust"). In that event, if the Depositor (or, following the death of the Depositor, the Beneficiary) is survived by his or her spouse, the following provisions shall apply to the Account, from and after the death of the Depositor (or following the death of the Depositor, the Beneficiary) until the death of the Depositor's (or following the death of the Depositor, the



Beneficiary's) surviving spouse: (i) all of the income of the Account shall, at the direction of the trustee(s) of the Spousal Trust, be paid to the Spousal Trust annually or at more frequent intervals, and (ii) no person shall have the power to appoint any part of the Account to any person other than the Spousal Trust. To the extent permitted by Section 401(a)(9) of the Code, as determined by the trustee(s) of the Spousal Trust, the surviving spouse of a Depositor who has designated a Spousal Trust as his or her Beneficiary may be treated as his or her "designated beneficiary" for purposes of the distribution requirements of that Code section. The Custodian shall have no responsibility to determine whether such treatment is appropriate.

(d) **Judicial Determination.** Anything to the contrary herein notwithstanding, in the event of reasonable doubt respecting the proper course of action to be taken, the Custodian may in its sole and absolute discretion resolve such doubt by judicial determination which shall be binding on all parties claiming any interest in the Account. In such event all court costs, legal expenses, reasonable compensation of time expended by the Custodian in the performance of its duties, and other appropriate and pertinent expenses and costs shall be collected by the Custodian from the Custodial Account in accordance with Article VIII, Section 18.

(e) **No Duty.** The Custodian shall not have any duty to question the directions of a Depositor (the Authorized Agent or, following the death of the Depositor, the Beneficiary) as to the time(s) and amount(s) of distributions from the Custodial Account, or to advise him or her regarding the compliance of such distributions with Section 408(a)(6), Section 401(a)(9), Section 2056(b)(7) or Section 2056A of the Code.

**8. Payroll Deduction.** Subject to approval of the Custodian, a Depositor may choose to have contributions to his or her Custodial Account made through payroll deduction if the Account is maintained as part of a program or plan sponsored by the Depositor's employer, or if the employer otherwise agrees to provide such service. In order to establish payroll deduction, the Depositor must authorize his or her employer to deduct a fixed amount or percentage from each pay period's salary up to the maximum annual IRA contribution limit per year, unless such contributions are being made pursuant to a Simplified Employee Pension Plan described under Section 408(k) of the Code, in which case, contributions can be made up to the maximum annual percentage limit of the Depositor's earned compensation (subject to the contribution limits as described in Section 402(h)(2) and the compensation limits as described in Section 401(a)(17), 404(l) and 408(k) of the Code). Contributions to a Custodial Account of the Depositor's spouse may be made through payroll deduction if the employer authorizes the use of payroll deductions for such contributions, but such contributions must be made to a separate Account maintained for the benefit of the Depositor's spouse. The Custodian shall continue to receive for the Depositor's Account payroll deduction contributions until such time as the Depositor's instruction to his or her employer (with reasonable advance notice) causes such contributions to be modified or to cease.

**9. Transfers to or from the Account.** Assets held on behalf of the Depositor (or following the death of the Depositor, the Beneficiary) in another IRA may be transferred by the trustee or custodian thereof directly to the Custodian, in a form and manner acceptable to the Custodian, to be held in the Custodial Account for the Depositor (or following the death of the Depositor, the Beneficiary) under this Agreement. The Custodian will not be responsible for any losses the Depositor (or following the death of the Depositor, the Beneficiary) may incur as a result of the timing of any transfer from another trustee or custodian that are due to circumstances reasonably beyond the control of the Custodian. The Depositor (or following the death of the Depositor, the Beneficiary) shall be responsible for ensuring that any transfer of another IRA by the trustee or custodian thereof directly to the Custodian is in compliance with the terms and conditions of the instrument governing the IRA of the transferor trustee or custodian, the Code and any related rules, regulations and guidance issued by the Internal Revenue Service.

Assets held on behalf of the Depositor (or following the death of the Depositor, the Beneficiary) in the Account may be transferred directly to a trustee or custodian of another IRA established for the Depositor (or following the death of the Depositor, the Beneficiary), if so directed by the Depositor (or following the death of the Depositor, the Beneficiary) in a form and manner acceptable to the Custodian; provided, however, that it shall be the Depositor's (or following the death of the Depositor, the Beneficiary's) responsibility to ensure that the transfer is permissible and any minimum distributions required by Sections 408(a)(6) and 401(a)(9) of the Code and applicable regulations is satisfied.

**10. Distributions from the Account.** Distributions from the Account will be made only upon the request of the Depositor (or, with the prior consent of the Custodian, the Authorized Agent, or, following the death of the Depositor, the Beneficiary) to the Custodian in such form and in such manner as is acceptable to the Custodian, and will generally be included in the gross income of the recipient to the extent required by law. Notwithstanding this Section 10 and Section 17 below, the Custodian is empowered to make distributions absent the Depositor's (the Authorized Agent or after the death of the Depositor, the Beneficiary) direction

if directed to do so pursuant to a court order or levy of any kind, or in the event the Custodian resigns or is removed as custodian. In such instance, neither the Custodian nor the Company shall in any event incur any liability for acting in accordance with such court order or levy, or with the procedures for resignation or removal in Section 24 below. For distributions requested pursuant to Article IV, life expectancy shall be calculated based on information provided by the Depositor (or with the prior consent of the Custodian, the Authorized Agent or, following the death of the Depositor, the Beneficiary) using any applicable distribution period from tables prescribed by the IRS in regulations or other guidance. The Custodian shall be under no duty to perform any calculations in connection with distributions requested pursuant to Article IV, unless specifically required to by the IRS. Notwithstanding the foregoing, at the direction of the Depositor (or following the death of the Depositor, the Beneficiary), and with the consent of the Custodian, the Custodian may perform calculations in connection with such distributions. The Custodian shall not incur any liability for errors in any such calculations as a result of reliance on information provided by the Depositor (or with the prior consent of the Custodian, the Authorized Agent or, following the death of the Depositor, the Beneficiary). Without limiting the generality of the foregoing, the Custodian is not obligated to make any distribution, including a minimum required distribution as specified in Article IV above, absent a specific direction from the Depositor (or with the prior consent of the Custodian, the Authorized Agent or, following the death of the Depositor, the Beneficiary) to do so in a form and manner acceptable to the Custodian, and the Custodian may rely, and shall be fully protected in so relying, upon any such direction. The Custodian will not, under any circumstances, be responsible for the timing, purpose or propriety of any distribution made hereunder, nor shall the Custodian incur any liability or responsibility for any tax or penalty imposed on account of any distribution or failure to make a required distribution. Notwithstanding anything herein to the contrary,

on or before December 31, 2003, a Beneficiary receiving distributions pursuant to Paragraph 3(b)(ii) of Article IV of this Custodial Agreement may generally begin taking distributions over the Beneficiary's remaining life expectancy in accordance with Section 401(a)(9) of the Code and related regulations.

#### **11. Conversion of Distributions from the Account.**

Generally, the Depositor may convert any or all distributions from the Account, for deposit into a Roth IRA ("Conversion Amount(s)"). However, any minimum distribution from the Account required by Sections 408(a)(6) and 401(a)(9) of the Code and applicable regulations for the year of the conversion cannot be converted to a Roth IRA. The Depositor (or the Depositor's Authorized Agent) shall designate in a form and manner acceptable to the Custodian each Conversion Amount as such to the Custodian and by such designation shall confirm to the Custodian that a proposed Conversion Amount qualifies as a conversion within the meaning of Sections 408A(c)(3), 408A(d)(3) and 408A(e) of the Code, except that any conversion contribution shall not be considered a rollover contribution for purposes of Section 408(d)(3)(B) of the Code relating to the one rollover per year rule. Conversions must generally be made by December 31 of the year to which the conversion relates. Conversions made via a 60-day rollover must be deposited in a Roth IRA within 60 days.

**12. Recharacterization of Contributions.** Annual contributions or conversion contributions held on behalf of the Depositor in a Roth IRA may be transferred ("recharacterized") via a trustee-to-trustee transfer to the Custodian, in a form and manner acceptable to the Custodian, to be held in the Custodial Account for the Depositor under this Agreement. The Custodian will not be responsible for any penalties or losses the Depositor may incur as a result of the timing of any such recharacterization from another trustee or custodian that are due to circumstances reasonably beyond the control of the Custodian.

Annual contributions held on behalf of the Depositor in the Account may be transferred ("recharacterized") via a trustee-to-trustee transfer to a trustee or custodian of a Roth IRA established for the Depositor, if so directed by the Depositor (or the Depositor's Authorized Agent) in a form and manner acceptable to the Custodian. It shall be the Depositor's responsibility in all cases to ensure that the recharacterization is permissible and satisfies the requirements of Code Section 408A and any related regulations, and any other applicable guidance issued by the Internal Revenue Service.

A contribution that constitutes a recharacterization of a prior contribution or conversion must be made by the deadline for filing the Depositor's income tax return for the year the contribution or conversion, as applicable, relates or such later date as authorized by the IRS.

#### **13. Actions in the Absence of Specific Instructions.**

If the Custodian receives no response to communications sent to the Depositor (the Authorized Agent or, following the death of the Depositor, the Beneficiary) at the Depositor's (the Authorized Agent or following the death of the Depositor, the Beneficiary's) last known address as shown in the records of the Custodian, or if the Custodian determines, on the basis of evidence satisfactory to it, that the Depositor (or following the death of the Depositor, the Beneficiary) is legally incompetent, the Custodian thereafter may make such determinations with respect to distributions, investments, and other administrative matters arising under this



Agreement as it considers reasonable, notwithstanding any prior instructions or directions given by or on behalf of the Depositor (or following the death of the Depositor, the Beneficiary). Any determinations so made shall be binding on all persons having or claiming any interest under the Custodial Account, and the Custodian shall not incur any obligation or liability for any such determination made in good faith, for any action taken in pursuance thereof, or for any fluctuations in the value of the Account in the event of a delay resulting from the Custodian's good faith decision to await additional information or evidence.

#### **14. Instructions, Notices, and Communications.**

All instructions, notices or communications, written or otherwise, required to be given by the Custodian to the Depositor (or following the death of the Depositor, the Beneficiary) shall be deemed to have been given when delivered or provided to the last known address, including an electronic address of the Depositor or the Beneficiary in the records of the Custodian. All instructions, notices, or communications, written or otherwise, required to be given by the Depositor (or following the death of the Depositor, the Beneficiary) to the Custodian shall be mailed, delivered or provided to the Custodian at its designated mailing address, including an electronic address if authorized by the Custodian, as specified on the Application or Account statement (or such other address as the Custodian may specify), and no such instruction, notice, or communication shall be effective until the Custodian's actual receipt thereof.

#### **15. Effect of Instructions, Notices, and Communications.**

- (a) *General.* The Custodian shall be entitled to rely conclusively upon, and shall be fully protected in any action or non-action taken in good faith in reliance upon, any instructions, notices, communications or instruments, written or otherwise, believed to have been genuine and properly executed. Any such notification may be proved by original copy or reproduced copy thereof, including, without limitation, a copy produced by photocopying, facsimile transmission, electronic record or electronic imaging. For purposes of this Agreement, the Custodian may (but is not required to) give the same effect to a telephonic instruction or an instruction received through electronic commerce as it gives to a written instruction, and the Custodian's action in doing so shall be protected to the same extent as if such telephonic or electronic commerce instructions were, in fact, a written instruction. Any such instruction may be proved by audio recorded tape, data file or electronic record maintained by the Custodian, or other means acceptable to the Custodian, as the case may be.
- (b) *Incomplete or Unclear Instructions.* If the Custodian receives instructions or other information relating to the Depositor's (or following the death of the Depositor, the Beneficiary's) Custodial Account which are, in the opinion of the Custodian, incomplete or not clear, the Custodian may request instructions or other information from the Depositor (the Authorized Agent, or following the death of the Depositor, the Beneficiary). Pending receipt of any such instructions or other information, the Custodian shall not be liable to anyone for any loss resulting from any delay, action or inaction on the part of the Custodian. In all cases, the Custodian shall not have any duty to question any such instructions or information from a Depositor (the Authorized Agent or, following the death of the Depositor, the Beneficiary) relating to his or her Custodial Account or to otherwise advise the Depositor (the Authorized Agent or, following the death of the Depositor, the Beneficiary) regarding any matter relating thereto.

#### **16. Tax Matters.**

- (a) *General.* The Custodian shall submit required reports to the Internal Revenue Service and the Depositor (the Authorized Agent, or, following the death of the Depositor, the Beneficiary); provided, however, that such individual shall prepare any return or report required in connection with maintaining the Account, or as a result of liability incurred by the Account for tax on unrelated business taxable income.
- (b) *Annual Report.* As required by the Internal Revenue Service, the Custodian shall deliver to the Depositor (or following the death of the Depositor, the Beneficiary) a report(s) of certain transactions effected in the Custodial Account and the fair market value of the assets of the Custodial Account as of the close of the prior calendar year. Unless the Depositor (the Authorized Agent or following the death of the Depositor, the Beneficiary) sends the Custodian written objection to a report within ninety (90) days of receipt, the Depositor (the Authorized Agent or, following the death of the Depositor, the Beneficiary) shall be deemed to have approved of such report, and the Custodian and the Company, and their officers, employees and agents shall be forever released and discharged from all liability and accountability to anyone with respect to their acts, transactions, duties and responsibilities as shown on or reflected by such report(s). The Company shall not incur any liability in the event the Custodian does not satisfy its obligations as described herein.
- (c) *Tax Withholding.* Any distributions from the Custodial Account may be made by the Custodian net of any required tax withholding. If permitted by the Custodian, any distributions from the Custodial Account may be made net of any voluntary tax withholding requested by the Depositor (or, if permitted by the Custodian, the

Authorized Agent, or, following the death of the Depositor, the Beneficiary). The Custodian shall be under no duty to withhold any excise penalty which may be due as a result of any transaction in the Custodial Account.

**17. Spendthrift Provision.** Subject to Section 10 above, any interest in the Account shall generally not be transferred or assigned by voluntary or involuntary act of the Depositor (or, following the death of the Depositor, the Beneficiary) or by operation of law; nor shall any interest in the Account be subject to alienation, assignment, garnishment, attachment, receivership, execution or levy except as required by law. However, this Section 17 shall not in any way be construed to, and the Custodian is in no way obligated or expected to, commence or defend any legal action in connection with this Agreement or the Custodial Account. Commencement of any such legal action or proceeding or defense shall be the sole responsibility of the Depositor (or following the death of the Depositor, the Beneficiary) unless agreed upon by the Custodian and the Depositor (or following the death of the Depositor, the Beneficiary), and unless the Custodian is fully indemnified for doing so to the Custodian's satisfaction. Notwithstanding the foregoing, in the event of a property settlement between a Depositor (or following the death of the Depositor, the Beneficiary) and his or her former spouse pursuant to which the transfer of a Depositor's (or following the death of the Depositor, the Beneficiary's) interest hereunder, or a portion thereof, is incorporated in a divorce decree or in an instrument, written or otherwise, incident to such divorce or legal separation, then the interest so decreed by a Court to be the property of such former spouse shall be transferred to a separate Custodial Account for the benefit of such former spouse, in accordance with Section 408(d)(6) of the Code and Section 10 above. In the event the Custodian is directed to distribute assets from the Custodial Account pursuant to a court order or levy, the Custodian shall do so in accordance with such order or levy and Section 10 above, and the Custodian shall not incur any liability for distributing such assets of the Account.

#### **18. Fees and Expenses.**

- (a) *General.* The fees of the Custodian for performing its duties hereunder shall be in such amount as it shall establish from time to time, as communicated on the Schedule of Fees which accompanies this Agreement, or in some other manner acceptable to the Custodian. All such fees, as well as expenses (such as, without limitation, brokerage commissions upon the investment of funds, fees for special legal services, taxes levied or assessed, or expenses in connection with the liquidation or retention of all or part of a rollover contribution), shall be collected by the Custodian from cash available in the Custodial Account, or if insufficient cash shall be available, by sale of sufficient assets in the Custodial Account and application of the sales proceeds to pay such fees and expenses. Alternatively, but only with the consent of the Custodian, fees and expenses may be paid directly to the Custodian by the Depositor (the Authorized Agent or following the death of the Depositor, the Beneficiary) by separate check.
- (b) *Advisor Fees.* The Custodian shall, upon direction from the Depositor (or, following the death of the Depositor, the Beneficiary), disburse from the Custodial Account payment to the Depositor's (or, following the death of the Depositor, the Beneficiary's) registered investment advisor any fees for financial advisory services rendered with regard to the assets held in the Account. Any such direction must be provided in a form and manner acceptable to the Custodian. The Custodian shall not incur any liability for executing such direction. The Custodian shall be entitled to rely conclusively upon, and shall be fully protected in any action or non-action taken in full faith reliance upon any such fee disbursement direction.
- (c) *Sale of Assets.* Whenever it shall be necessary in accordance with this Section 18 to sell assets in order to pay fees or expenses, the Custodian may sell any or all of the assets credited to the Custodial Account at that time, and shall invest the portion of the sales proceeds remaining after collection of the applicable fees and expenses therefrom in accordance with Section 2. The Company or Custodian shall not incur any liability on account of its sale or retention of assets under such circumstances.

**19. Escrow.** With the consent of the Custodian, the Custodial Account may serve as an escrow arrangement to hold restricted distributions from defined benefit plans pursuant to applicable Income Tax Regulations. In such event, the Custodian will act in accordance with an escrow agreement acceptable to it and pursuant to which it will only act upon the direction of the trustee of the distributing plan with respect to distributions from the Account. Such agreement will remain in place until the trustee of the distributing plan releases the Custodian from such escrow agreement.

**20. Voting with Respect to Securities.** The Custodian shall deliver to the Depositor (or, following the death of the Depositor, the Beneficiary) all prospectuses and proxies that may come into the Custodian's possession by reason of its holding of Investment Company Shares or Other Funding Vehicles in the Custodial Account. The Depositor (the Authorized Agent, or, following the death of the Depositor, the Beneficiary) may direct the Custodian as to the manner in which any Investment Company Shares or Other Funding Vehicles held in the Custodial Account shall be voted with respect to any matters as to which the Custodian as holder of record is entitled to vote, coming before any meeting of shareholders of the corporation which issued such securities, or of holders of interest in the Investment Company or corporation which issued such Investment Company Shares or Other

Funding Vehicles. All such directions shall be in a form and manner acceptable to the Custodian, and delivered to the Custodian or its designee within the time prescribed by it. The Custodian shall vote only those securities and Investment Company Shares with respect to which it has received timely directions from the Depositor (the Authorized Agent or, following the death of the Depositor, the Beneficiary); provided however, that by establishing (or having established) the Custodial Account the Depositor (or following the death of the Depositor, the Beneficiary) authorizes the Custodian to vote any Investment Company Shares held in the Custodial Account on the applicable record date, for which no timely instructions are received, in the same proportions as the Custodian has been instructed to vote the Investment Company Shares held in the Custodial Accounts for which it has received timely instructions, but effective solely with respect to votes before January 1, 2003, only to the extent that such vote is necessary to establish a quorum.

**21. Limitations on Custodial Liability and Indemnification.** Neither the Custodian, the Company nor any agent or affiliate thereof provides tax or legal advice. Depositors, Beneficiaries and Authorized Agents are strongly encouraged to consult with their attorney or tax adviser with regard to their specific situation. The Depositor (or following the death of the Depositor, the Beneficiary) and the Custodian intend that the Custodian shall have and exercise no discretion, authority, or responsibility as to any investment in connection with the Account and the Custodian shall not be responsible in any way for the purpose, propriety or tax treatment of any contribution, or of any distribution, or any other action or nonaction taken pursuant to the Depositor's direction (or that of the Authorized Agent or, following the death of the Depositor, the Beneficiary). The Depositor (or following the death of the Depositor, the Beneficiary) who directs the investment of his or her Account shall bear sole responsibility for the suitability of any directed investment and for any adverse consequences arising from such an investment, including, without limitation, the inability of the Custodian to value or to sell an illiquid investment, or the generation of unrelated business taxable income with respect to an investment.

Unless the Depositor (the Authorized Agent or, following the death of the Depositor, the Beneficiary) sends the Custodian written objection to any statement, notice, confirmation or report within ninety (90) days of receipt from the Custodian, the Depositor (the Authorized Agent or the Beneficiary) shall be deemed to have approved of such statement, notice, confirmation or report, and the Custodian and the Company, and their officers, employees and agents shall be forever released and discharged from all liability and accountability to anyone with respect to their acts, transactions, duties and responsibilities as shown on or reflected by such statement, notice, confirmation or report(s).

To the fullest extent permitted by law, the Depositor (the Authorized Agent, or, following the death of the Depositor, the Beneficiary) shall at all times fully indemnify and save harmless the Custodian, the Company and their agents, affiliates, successors and assigns and their officers, directors and employees, from any and all liability arising from the Depositor's (the Authorized Agent's or following the death of the Depositor, the Beneficiary's) direction under this account and from any and all other liability whatsoever which may arise in connection with this Agreement except liability arising from gross negligence or willful misconduct on the part of the indemnified person. The Custodian shall not have any responsibility or liability for the actions or inactions of any successor or predecessor custodian of this Account.

**22. Delegation to Agents.** The Custodian may delegate to one or more entities the performance of recordkeeping, ministerial and other services in connection with the Custodial Account, for a reasonable fee (to be paid by the Custodian and not by the Custodial Account). Any such agent's duties and responsibilities shall be confined solely to the performance of such services, and shall continue only for so long as the Custodian named in the Application or its successor serves as Custodian or otherwise deems appropriate.

Although the Custodian shall have no responsibility to give effect to a direction from anyone other than the Depositor (or, following the death of the Depositor, the Beneficiary), the Custodian may, in its discretion, establish procedures pursuant to which the Depositor (or following the death of the Depositor, the Beneficiary) may delegate, in a form and manner acceptable to the Custodian, to a third party any or all of the Depositor's (or following the death of the Depositor, the Beneficiary's) powers and duties hereunder. Any such third party to whom the Depositor (or following the death of the Depositor, the Beneficiary) has so delegated powers and duties shall be treated as the Depositor (or following the death of the Depositor, the Beneficiary) for purposes of applying the preceding sentences of this paragraph and the provisions of this Agreement.

**23. Amendment of Agreement.** The Custodian may amend this Agreement in any respect at any time (including retroactively), so that it may conform with applicable provisions of the Code, or with any other applicable law as in effect from time to time, or to make such other changes to this Agreement as the Custodian deems advisable. Any such amendment shall be effected by delivery to the Custodian and to the Depositor (or, following the death of the Depositor, the Beneficiary) at his or her last known address, including an electronic address (as shown in the records of the Custodian) a copy of such amendment or a restatement of this Custodial Agreement. The Depositor (or following the death of the Depositor, the Beneficiary) shall be deemed to consent to any such amendment(s) if he or she fails to object thereto by sending notice to the Custodian, in a form and manner acceptable to the Custodian, within thirty (30) calendar days from the date a copy of such amendment(s) or restatement is delivered to the Depositor (or, following the death of the Depositor, the Beneficiary) to terminate this Custodial Account and distribute the proceeds, as so directed by the Depositor (the Authorized Agent, or, following the death of the Depositor, the Beneficiary).

**24. Resignation or Removal of Custodian.** The Company may remove the Custodian at any time, and the Custodian may resign at any time, upon thirty (30) days notice to the Depositor (the Authorized Agent, or, following the death of the Depositor, the Beneficiary). Upon the removal or resignation of the Custodian, the Company may, but shall not be required to, appoint a successor custodian under this Custodial Agreement; provided that any successor custodian shall satisfy the requirements of Section 408(a)(2) of the Code. Upon any such successor's acceptance of appointment, the Custodian shall transfer the assets of the Custodial Account, to such successor custodian; provided, however, that the Custodian is authorized to reserve such sum of money or property as it may deem advisable for payment of any liabilities constituting a charge on or against the assets of the Custodial Account, or on or against the Custodian or the Company. The Custodian shall not be liable for the acts or omissions of any predecessor or successor to it. Upon acceptance of such appointment, a successor custodian shall be vested with all authority, discretionary or otherwise, of the Custodian pursuant to this Agreement. If no successor custodian is appointed by the Company, the Custodial Account shall be terminated, and the assets of the Account, reduced by the amount of any unpaid fees or expenses, will be distributed to the Depositor (or, following the death of the Depositor, the Beneficiary).

**25. Termination of the Custodial Account.** The Depositor (or, following the death of the Depositor, the Beneficiary) may terminate the Custodial Account at any time upon notice to the Custodian in a manner and form acceptable to the Custodian. Upon such termination, the Custodian shall transfer the assets of the Custodial Account, reduced by the amount of any unpaid fees or expenses, to the custodian or trustee of another individual retirement account (within the meaning of Section 408 of the Code) or other retirement plan designated by the Depositor (the Authorized Agent, or, following the death of the Depositor, the Beneficiary) as described in Article VIII, Section 9. The Custodian shall not be liable for losses arising from the acts, omissions, delays or other inaction of any such transferee custodian or trustee. If notice of the Depositor's (or, following the death of the Depositor, the Beneficiary's) intention to terminate the Custodial Account is received by the Custodian and the Depositor (or following the death of the Depositor, the Beneficiary) has not designated a transferee custodian or trustee for the assets in the Account, then the Account, reduced by any unpaid fees or expenses, will be distributed to the Depositor (or, following the death of the Depositor, the Beneficiary).

**26. Governing Law. This Agreement, and the duties and obligations of the Company and the Custodian under this Agreement, shall be construed, administered and enforced according to the laws of the Commonwealth of Massachusetts, except as superseded by federal law or statute.**

**27. When Effective.** This Agreement shall not become effective until acceptance of the Application by or on behalf of the Custodian at its principal office, as evidenced by a notice to the Depositor (or following the death of the Depositor, the Beneficiary).

# Fidelity Individual Retirement Account

The following information is generally applicable for tax years beginning after December 31, 2001, and is provided to you in accordance with the requirements of the Internal Revenue Code (the "Code") and should be reviewed in conjunction with both the Custodial Agreement and the Application for this Individual Retirement Account ("IRA"). This IRA is a custodial account (the "Account") created to provide for the Depositor's retirement and following the death of the Depositor, the support of the Depositor's Beneficiary(ies). Interests in the Account are nonforfeitable. The terms used in this Disclosure Statement shall have the meaning set forth in Article VIII of the Custodial Agreement for this IRA unless a different meaning is clearly required by the context. Except as otherwise noted or as clearly required by the context, "You" and "Your" refer to the Depositor for whose benefit the IRA is originally established and following the death of the Depositor, "You" or "Your" shall refer to the Beneficiary. **Neither the Custodian, the Company nor any affiliate or agent thereof provides tax or legal advice. As a result, you, as Depositor or Beneficiary, are strongly encouraged to seek competent tax or legal advice with respect to any and all matters pertaining to this IRA with regard to your specific situation, as such matters may result in adverse tax consequences and/or penalties.**

**Right to Revoke.** If you do not receive this Disclosure Statement at least seven (7) calendar days prior to the establishment of this IRA, you may revoke this Account by mailing or delivering a request for revocation, in a form and manner acceptable to the Custodian, within seven (7) calendar days after the establishment date of your Account. You will be deemed to have received this Disclosure Statement unless a request to receive this information is made to the Custodian at the location below within seven (7) calendar days following acceptance by or on behalf of the Custodian of your IRA as evidenced by notification to you. Your revocation request must be delivered, in a form and manner acceptable to the Custodian, to:

For mutual fund and brokerage Traditional IRAs:

**Fidelity Investments**  
**Attn: Client Services**  
**P.O. Box 770001**  
**Cincinnati, OH 45277-0045**

Or

**Overnight and Certified**  
**Fidelity Investments**  
**Attn: Client Services**  
**100 Crosby Parkway – KC1K-PR**  
**Covington, KY 41015**

Upon revocation, you will receive a full refund of your initial contribution (or transfer of assets as applicable), including sales commissions (if any) and/or administrative fees. If you have any questions relative to revoking the Account, please call our 24-hour, toll-free number, 1-800-544-4774.

**Types of IRAs.** *The following account types are available under the Fidelity Individual Retirement Account Custodial Agreement and Disclosure Statement.*

## Accounts for Depositors

**Traditional IRA and Rollover IRA.** If you are under age 70½ and have "compensation," you may make annual contributions of up to the maximum amount allowed under current law to a Traditional IRA for a taxable year. Some or all of your contribution may be deductible depending on your (and your spouse's) circumstances and "adjusted gross income." Any earnings on your contributions may grow tax deferred until distributed from your Traditional IRA. If you and your spouse file a joint federal income tax return and meet certain requirements, you may make an IRA contribution to a separate IRA established for the exclusive benefit of your spouse, even if your spouse has not received compensation during the taxable year. If you retire or change jobs, you may be eligible for a distribution from your employer's retirement plan. Eligible rollover distributions from certain plans may generally be rolled over tax-free to a Traditional IRA or Rollover IRA, and can continue to grow tax-deferred until distributed.

**SEP-IRA.** If your employer offers a Simplified Employee Pension Plan (SEP), a separate IRA may be established to receive your employer's contributions under the SEP arrangement. All SEP contributions are tax deductible to the employer, and any earnings grow tax deferred until distributed. If established prior to January 1, 1997, your employer's SEP may also allow you to make elective salary deferrals to a SARSEP-IRA.

## Accounts for Beneficiaries

**Inherited IRA.** If you are a beneficiary who inherits from a deceased Depositor (or a deceased Beneficiary) a Traditional IRA, Rollover IRA, SEP-IRA, or SIMPLE IRA, you may maintain the tax deferred status of those inherited assets in an Inherited IRA. Contributions are not permitted to be made to an Inherited IRA. An Inherited IRA may also be referred to as a Beneficiary Distribution Account (BDA) or IRA-BDA. A beneficiary of an Inherited IRA is generally required to take annual minimum distributions from the account.

**For more information about Roth IRAs and Inherited Roth IRAs, please refer to the Fidelity Roth Individual Retirement Account Disclosure Statement.**

Note: For purposes of this Disclosure Statement, "**Compensation**" refers to wages, salaries, professional fees, or other amounts derived from or received for personal services actually rendered and includes the earned income of a self-employed individual, or any alimony or separate maintenance payment includible in your gross income. For self-employed individuals, compensation means earned income. "**Adjusted Gross Income**" ("AGI") is determined prior to adjustments for personal exemptions and itemized deductions. For purposes of determining the IRA deduction, AGI is modified to take into account any taxable benefits under the Social Security and the Railroad Retirement Acts, and passive loss limitations under Code Section 469, except that you should disregard Code Sections 135, 137, and 911.

**Account Information.** *The following information may apply to both Depositors and Beneficiaries, except as otherwise clearly indicated.*

**Designation of Beneficiary.** You should designate a Beneficiary(ies) to receive the balance of your Account upon your death. The Beneficiary(ies) must be designated on your Account Application, or in another form and manner acceptable to the Custodian. If you are a Beneficiary and you maintain an Inherited IRA, you should designate a Successor Beneficiary in a form and manner acceptable to the Custodian. The assets remaining in your Account will be distributed upon your death to the Beneficiary(ies) or Successor Beneficiary(ies) named by you on record with the Custodian in accordance with the provisions of the Fidelity IRA Custodial Agreement. Please refer to Article VIII, Section 7 of your Custodial Agreement ("Designation of Beneficiary") for more information. If a Beneficiary you designate is not a U.S. citizen or other U.S. Person (including a resident alien individual) at the time of your death, distribution options from the Account and the tax treatment of such distributions may be more restrictive.

**Investment of Account.** The assets in your Account will be invested in accordance with instructions communicated from you (or your Authorized Agent, if any). You should read any publicly available information (e.g., prospectuses, annual reports, etc.), which would enable you to make an informed investment decision, and take into account your overall investment portfolio, your tolerance for risk, the time frame of your investments, and the various tax consequences of your actions. You should periodically review your investments, and make any adjustments that you feel may be necessary. If no investment instructions are received from you, or if the instructions received are, in the opinion of the Custodian, incomplete or unclear, or might result in an erroneous transaction, you may be requested to provide further instructions or other information. In the absence of such instructions or information, all or part of your investments may 1) remain uninvested pending instructions or information from you or your Authorized Agent, if any, 2) be returned to you, or 3) may be invested in Money Market Shares, which strive to maintain a stable \$1 per share value. No part of your Account may be invested in life insurance or be commingled with other property, except in a common trust fund or common investment fund. Keep in mind that with respect to investments in regulated investment company shares (i.e., mutual funds) or other securities held in your Account, growth in the value of your Account cannot be guaranteed or projected by the Custodian.



**Contributions.** *The following information about Contributions applies to IRA Depositors only. It does not apply to a Beneficiary (or Successor Beneficiary) or to an Inherited IRA or IRA BDA.*

**Types of Contributions.**

**Annual Contributions.** You may make annual contributions to an IRA anytime up to and including the due date, not including extensions, for filing your tax return for the year for which the contribution is made (generally April 15th). You may continue to make annual contributions to your IRA for a given tax year up to (but not including) the calendar year in which you reach age 70½. You may continue to make annual contributions to your spouse's IRA for a given tax year up to (but not including) the calendar year in which your spouse reaches age 70½. Contributions (other than rollover contributions or recharacterized contributions described below) must be made in "cash" and not "in-kind."

**Catch-Up Contributions.** If you are at least age 50 by December 31 of the calendar year to which a contribution relates, you may make a "catch-up" contribution to your IRA in addition to the annual contribution. If you are a participant in a SARSEP-IRA and are at least age 50 by December 31 of the calendar year to which a contribution relates, your employer may also allow you to make catch-up contributions via salary reduction contributions, subject to the limits more fully explained below. It is your responsibility to ensure that you meet the requirements for making a catch up contribution, and for ensuring that you do not exceed the limits as applicable.

**Eligible Rollover Contributions.** Certain distributions from employer-sponsored plans (for example, 401(a), 403(b) and 457 governmental plans) may be eligible for rollover into your IRA. Eligible rollover distributions may be made in cash or, if permitted by the Custodian, in-kind. Strict limitations apply to rollovers, and you should seek competent tax advice regarding these restrictions. To avoid mandatory federal income tax withholding of 20% of a distribution from an employer plan, and to preserve the tax-deferred status of an eligible distribution, you can roll over your eligible distribution directly to an IRA. If you choose to have the distribution made payable to you, you will be subject to mandatory federal income tax withholding at the rate of 20%. You may still reinvest up to 100% of the total amount of your distribution that is eligible for rollover in a Rollover IRA by replacing the 20% which was withheld for taxes with other assets you own within 60 days of your receipt of the distribution. Distributions from your SIMPLE IRA after the two-year period beginning when your employer first contributes to your SIMPLE IRA may also be rolled over to the Account.

**Sixty-Day Rollover Contributions.** If you have taken a distribution of all or part of your assets from your IRA, you may make a rollover contribution of the same property into the same IRA, another IRA, an Individual Retirement Annuity, or another eligible retirement plan provided the rollover contribution is made within 60 days of your receipt of the distribution. This rollover treatment does not require you to include the distribution in your ordinary income if it is reinvested within the 60-day period, and it allows you to maintain the tax-deferred status of these assets. A 60-day rollover can be made from an IRA once every 12 months. All or any part of an amount distributed for a qualified first-time home purchase of a principal residence which does not materialize, can be returned or rolled over to an IRA. In such instance, the 60 days is extended to 120 days, and the rollover will not count for purposes of the "once every 12 months rule" mentioned above. Under certain circumstances, the 60-day rollover requirement may be waived, if IRS requirements are met.

**Simplified Employee Pension Plan Contributions.** Your employer may contribute to your SEP-IRA up to the maximum amount allowed under current law. If your employer established a salary reduction SEP plan prior to January 1, 1997, and your SEP-IRA is used as part of this salary reduction SEP, you may elect to reduce your annual compensation up to the maximum amount allowed by law (subject to any plan limits) and have your employer contribute that amount to your SEP-IRA. In addition to the amount contributed by your employer to your SEP-IRA, you may make an annual contribution to the Account.

**Excess Contributions.** Contributions (including an improper rollover or a salary reduction contribution made by your employer on your behalf) which exceed the allowable maximum per year are considered excess contributions. An excise tax of 6% of the excess amount contributed will be incurred for each year in which the excess contribution remains in your IRA. You may correct an excess contribution and avoid the 6% penalty tax for that year by withdrawing the excess contribution and its earnings, if any, on or before the due date, including extensions, for filing your tax return for the year in which you made the excess contribution. If you correct an excess contribution by having it returned to you by your tax filing deadline, including extensions, it will not be considered a premature distribution nor (except in the case of a salary reduction contribution) taxed as ordinary income; however, any earnings withdrawn will be taxed as ordinary income to you and may be subject to a 10% early withdrawal penalty if you are under age 59½. Alternatively, excess contributions (other than salary reduction contributions) in one year may be carried forward and reported in the next year to the extent that the excess, when aggregated with your IRA contribution(s) (if any) for the subsequent year, does not exceed the maximum amount for that year. The 6% excise tax is imposed on excess contributions for each year they remain in the account and are not able to be applied as current year contributions.

**Recharacterized Contributions.** You may elect, in a form and manner acceptable to the Custodian, to transfer ("recharacterize") via a trustee-to-trustee transfer of assets any contribution in your IRA (the "Initial IRA"), to another IRA ("the Second IRA"), or vice versa. Any net income attributable to a contribution that is recharacterized must be transferred to the Second IRA. You may also elect to recharacterize an amount converted to a Roth IRA back to your IRA. The election to recharacterize any contribution and the trustee-to-trustee transfer must be completed on or before the due date (generally April 15), including extensions, for filing your federal income tax return for the year for which the contribution to the Initial IRA relates. The amount(s) that is recharacterized is treated as having been originally contributed to the Second IRA on the same date and for the same taxable year that the amount was contributed to your Initial IRA. You may not reconvert an amount previously converted and recharacterized before the later of January 1 of the taxable year following the taxable year in which the conversion is made, or the end of the thirty (30) day period beginning on the day a recharacterization is transferred back to the Initial IRA. You, as Depositor, are strongly encouraged to consult a tax advisor before initiating any reconversion(s) or recharacterization(s).

**Annual IRA Contributions Limits.**

**General.** You may make annual IRA contributions of up to the lesser of 100% of your compensation, or the maximum amount allowed under current law. The maximum annual contribution limit for your IRA is reduced by the amount of any contributions you make to any other IRAs, including Roth IRAs, but excluding any employer contributions, such as salary deferral contributions made to a SARSEP-IRA or a SIMPLE IRA, for the particular tax year. If you are at least age 50 by December 31 of the tax year to which the contribution relates, you may make an additional "catch-up" contribution. The maximum annual contribution limits for aggregate IRA and Roth IRA contributions for the following tax years are:

Tax Years	Annual IRA Contribution Limit	Annual IRA Catch-Up Contribution for Depositor at Least Age 50	Maximum Annual IRA Contribution Limit for Depositor at Least Age 50 (including Catch-Up)
2007	\$4,000	\$1,000	\$5,000
2008 and thereafter	\$5,000*	\$1,000	\$6,000

\*After 2008, the IRA contribution limit will be indexed for cost-of-living in \$500 increments.

**Deductibility of Annual IRA Contributions.**

**Married Taxpayers.** If you are married and file a joint tax return with your spouse, and neither of you is considered an active participant in an employer-sponsored retirement plan, you and your spouse may each make a fully deductible IRA contribution in any amount up to 100% of your combined compensation, or the maximum amount allowed under current law, whichever is less. If you are married filing jointly with AGI of \$83,000 or less for the year for which the contribution relates, and only one of you is considered an active participant, the spouse (including a non-wage earning spouse) who is not an active participant in an employer-sponsored retirement plan may make a fully deductible IRA contribution of up to the maximum amount allowed under current law or 100% of combined compensation, whichever is less. For married couples where one person is considered an active participant, this deduction is phased out for joint AGI between \$83,000—\$103,000. For married couples filing jointly where both are considered active participants, the phase-out ranges for deducting an IRA contribution are provided in the chart below. A married couple that live together at any time during the year but file their income taxes separately, and have more than \$10,000 in compensation for the year, are not eligible for a deductible IRA contribution if either spouse is considered an active participant. No more than the maximum allowed under current law may be contributed to either spouse's IRA for any taxable year.

**Single Taxpayers.** If you are not married and are not an active participant in an employer-sponsored retirement plan, you may make a fully deductible IRA contribution in any amount up to 100% of your compensation for the year or the maximum allowed under current law, whichever is less. The phase-out ranges for deducting an IRA contribution for single taxpayers who are considered active participants are provided in the chart below.

**Active Participant.** Generally, you are considered an active participant in a defined contribution plan if an employer contribution or forfeiture was credited to your account under the plan during the year. You are considered an active participant in a SEP or SIMPLE plan if an employer contribution, including a salary reduction contribution, was made to your account for a tax year. You are considered an active participant in a defined benefit plan if you are eligible to participate in the plan, even though you may elect not to participate. You are also treated as an active participant for a year during which you make a voluntary or mandatory contribution to any type of plan, even though your employer makes no contribution to the plan. An "employer-sponsored retirement plan" includes any of the following types of retirement plans: a qualified pension, profit-sharing, or stock bonus plan established in accordance with Code Sections 401(a) or 401(k); a Simplified Employee Pension Plan (SEP) (Code Section 408(k)); a Savings Incentive Match Plan for Employees (SIMPLE) established in accordance with Code Section 408(p) or Code Section 401(k); a deferred compensation plan maintained by a



governmental unit or agency; tax-sheltered annuities and custodial accounts (Code Section 403(b) and 403(b)(7)); or a qualified annuity plan under Code Section 403(a). You should check with your employer for your status as an active participant.

**AGI Limits on Deductible Contributions.** If you (or your spouse, if you are filing a joint tax return) are not eligible for a fully deductible IRA contribution, you may be eligible for a partially deductible IRA contribution if your adjusted gross income does not exceed certain deductibility limits, which are discussed below. For “active participants” in an employer-sponsored retirement plan, full deduction is phased-out between the following AGI limits:

Year	Married Couples	
	Filing Joint Returns	Individuals
2001	\$53,000–\$ 63,000	\$33,000–\$43,000
2002	\$54,000–\$ 64,000	\$34,000–\$44,000
2003	\$60,000–\$ 70,000	\$40,000–\$50,000
2004	\$65,000–\$ 75,000	\$45,000–\$55,000
2005	\$70,000–\$ 80,000	\$50,000–\$60,000
2006	\$75,000–\$ 85,000	\$50,000–\$60,000*
2007	\$83,000–\$103,000	\$52,000–\$62,000

\*Subject to cost of living adjustments in increments of \$1,000

For married couples filing joint returns and individuals, the applicable dollar limit for a given year is the lowest number presented in the ranges above, as applicable. The applicable dollar limit for married individuals filing separate returns is \$0. If your adjusted gross income exceeds the applicable dollar limit by not more than \$10,000 (\$20,000 for the 2007 tax year and beyond for married couples filing a joint return), you may make a deductible IRA contribution (but the deductible amount will be less than the maximum amount you can contribute). To determine the amount of your deductible contribution, use the following calculation:

1. Subtract the applicable dollar limit from your adjusted gross income. If the result is \$10,000 (\$20,000 for married couples filing a joint return for the 2007 tax year and beyond) or more, stop; you can only make a nondeductible contribution.
2. Subtract the above figure from \$10,000 (\$20,000 for married couples filing a joint return for the 2007 tax year and beyond).
3. Divide the result from 2 above by \$10,000 (\$20,000 for married couples filing a joint return for the 2007 tax year and beyond).
4. Multiply the maximum contribution allowed under current law by the fraction resulting from 3 above. This is your maximum deductible contribution limit.

If the deduction limit is not a multiple of \$10, then it is to be rounded up to the next highest \$10 multiple. There is a \$200 minimum floor on the deduction limit if your adjusted gross income does not exceed the annual limits in the chart above for individuals or married couples filing jointly.

Adjusted gross income for married couples filing a joint tax return is calculated by aggregating the compensation of both spouses. The deduction limitations on IRA contributions, as determined above, then apply to each spouse.

**Nondeductible IRA Contributions.** Even if your income exceeds the limits described above, you may still make a nondeductible IRA contribution up to the lesser of the maximum amount allowed under current law or 100% of your compensation to a Traditional IRA (or, if eligible, to a Roth IRA). There are no income limits for making a nondeductible contribution to a Traditional IRA. You are required to designate on your tax return the extent to which your IRA contribution is nondeductible. Therefore, your designation must be made by the due date (including extensions) for filing your tax return for the year for which the contribution is made.

**Tax credit for IRA contributions.** You may be able to receive a non-refundable tax credit for your contribution to your IRA. The maximum annual contribution amount eligible for the credit is \$2000 per person. Eligibility for the credit, which is a percentage of the contribution amount, is determined by your AGI as indicated in the chart below, as well as other requirements.\*

\*SAVER's AGI limits will be indexed for cost-of-living in \$500 increments.

Joint Filers (AGI)	Heads of Households (AGI)	All Other Filers (AGI)	Credit Rate	Maximum Credit
\$0–\$31,000	\$0–\$23,250	\$0–\$15,500	50%	\$1,000
\$31,001–\$34,000	\$23,251–\$25,500	\$15,501–\$17,000	20%	\$400
\$34,001–\$52,000	\$25,551–\$39,000	\$17,001–\$26,000	10%	\$200
Over \$52,000	Over \$39,000	Over \$26,000	0%	\$0

## SEP-IRA Contributions.

**General.** If you are a participant in a SEP plan offered by your employer, your employer may make annual SEP contributions on your behalf up to the lesser of 25% of compensation, or \$45,000, per participant. The \$45,000 limit is indexed for cost-of-living adjustments in \$1,000 increments. The maximum compensation on which contributions to SEPs and SARSEPs can be based is \$225,000, indexed for cost-of-living adjustments in \$5,000 increments.

Elective deferrals to SARSEPs are also subject to the limits more fully described below. Additionally, SARSEP participants who reach age 50 by December 31 of the tax year for the corresponding contribution may be able to contribute an additional catch-up contribution, if the plan allows.

Tax Year	Annual Elective Deferral Limit	SARSEP Catch-Up Contribution for Participants at Least Age 50	Maximum Annual Elective Deferral Limit for Participants at Least Age 50 (including Catch-Up)
2006	\$15,000	\$5,000	\$20,000
2007	\$15,500	\$5,000	\$20,500

The \$15,000 limit is indexed for inflation in \$500 increments.

---

**Distributions.** *The following information about Distributions may apply to both Depositors and Beneficiaries, except as otherwise clearly indicated.*

**General.** Distributions from the Account will only be made upon your request (or, with your prior authorization and the consent of the Custodian, the request of the Authorized Agent) in a form and manner acceptable to the Custodian. However, the Custodian may make a distribution from the Account without such instruction if directed to do so by a levy or court order, or in the event of the Custodian's resignation. Distributions can be made at any time, but must meet certain minimum distribution requirements, as more fully explained below. Distributions from the Account will generally be included in the recipient's gross income for federal income tax purposes for the year in which the distribution is made.

**Premature Distributions to IRA Depositors.** To the extent they are included in income, distributions from the Account made before you, as Depositor, reach age 59½ will be subject to a nondeductible 10% early withdrawal penalty (in addition to being taxable as ordinary income) unless the distribution is an exempt withdrawal of an excess contribution, or the distribution is rolled over to another employer-sponsored retirement plan, or the distribution is made on account of your death or disability, or if the distribution

- is part of a series of substantially equal periodic payments made not less frequently than annually over a Depositor's life or life expectancy or the joint life expectancies of you, as Depositor, and your Beneficiary,
- is for qualified medical expenses in excess of 7.5% of the Depositor's AGI,
- is to cover qualified health insurance premiums of certain unemployed individuals,
- is used to acquire a first-time principal residence for you, as Depositor, your spouse, your or your spouse's children, grandchildren or ancestors (subject to a \$10,000 lifetime limit from all the Depositor's IRAs),
- is used to pay qualified higher education expenses for you, as Depositor, your spouse, your children, or your grandchildren or any children or grandchildren of your spouse, or
- is made on account of an IRS levy, as described in Code Section 6331.

You, as Depositor, are strongly encouraged to consult with your tax advisor to see if an exception to the early withdrawal penalty applies before requesting any distribution prior to age 59½. You, as Beneficiary, are also strongly encouraged to consult a tax advisor prior to requesting any distribution.

**Conversion of Distributions from the Account.** If you are a Depositor and your AGI (single or joint), subject to certain modifications, is \$100,000 or less for a taxable year, you may convert any or all distributions from the Account into a Roth IRA ("Conversion Amount(s)"). Conversions can be made by means of a 60-day rollover or a trustee-to-trustee transfer. However, any minimum distribution from the Account required by Code Sections 408(a)(6) and 401(a)(9) for the year of the conversion cannot be converted to a Roth IRA. You will be subject to income tax on the taxable portion of any Conversion Amount. The Conversion Amount will not be subject to the premature distribution penalty. Please note that withholding taxes from a Roth IRA Conversion may make you ineligible for a Roth IRA Conversion, as amounts withheld from a Roth IRA Conversion are used in determining conversion AGI eligibility. If you are under age 59½, you will be subject to a 10% early withdrawal penalty on any amounts distributed from your IRA and not converted to a Roth IRA within 60 days.

**Distribution of Nondeductible or After-tax Contributions.** To the extent that a distribution constitutes a return of nondeductible or after-tax contributions, it will not be included in income. The amount of any distribution excludable from income is the portion that bears the same ratio to the total distribution that aggregate nondeductible contributions bear to the balance at the end of the year (calculated after adding back distributions made during the year) of the Account. For this purpose, all of a Depositor's IRAs, or a Beneficiary's IRA BDAs inherited from the same Depositor (Roth IRAs and Roth BDAs excluded) are treated as a single IRA. The aggregate amount of distributions excludable from income for all years is not to exceed the aggregate nondeductible contributions for all calendar years.

**Minimum Required Distributions (MRDs).** It is your responsibility to ensure that required distributions are timely and are in amounts which satisfy the IRS requirements under Code Section 408(a)(6) and 401(a)(9) and the related IRS regulations. Once distributions are required to begin, they must not be less than the amount each year which would exhaust the value of the Account over the required distribution period, which is generally determined according to the applicable life expectancy tables specified by the Internal Revenue Service. You may be subject to a 50% excise tax on the amount by which the distribution you actually received in any year falls short of the minimum distribution required for the year.

**Lifetime MRDs for IRA Depositors.** If you are a Depositor, you must begin receiving distributions of the assets in the Account by April 1 of the year following the year in which you reach age 70½. This is called your "Required Beginning Date" ("RBD"). Minimum required distributions must continue to be made by December 31 of each subsequent

year, including the year in which you, as Depositor, are required to take your first minimum required distribution. If you, as Depositor, maintain more than one IRA (Roth IRAs excluded), you may take from any of your IRAs the aggregate amount to be withdrawn. Please refer to Article IV of your Custodial Agreement ("Distributions From Your Account") for additional information on minimum required distributions.

**Distributions after the Death of the Depositor.** If you are a Beneficiary and have inherited an IRA from a Depositor who died after reaching RBD, you must generally begin receiving distributions by December 31 of the year following the year of the Depositor's death. Special rules apply for spousal beneficiaries and entity beneficiaries. Special rules may also apply to beneficiaries who are not citizens of the United States. Successor Beneficiaries must continue distributions under the original Beneficiary's payment schedule, unless faster distribution is required. Please refer to Article IV of your Custodial Agreement ("Distributions From Your Account") for additional information on death distribution requirements.

---

**Miscellaneous.** *The following information may apply to both Depositors and Beneficiaries, except as otherwise clearly indicated.*

**Other Considerations with Respect to the Account.**

**Divorce or Legal Separation.** If all or any portion of your Account is awarded to a former spouse pursuant to divorce or legal separation, such portion can be transferred to an IRA in the receiving spouse's name. This transaction can be processed without any tax implications to you provided a written instrument specifically directing such transfer is executed by a court incident to the divorce or legal separation in accordance with Section 408(d)(6) of the Code is received and accepted by the Custodian. The Custodian may require other direction from you and the recipient of any portion of your Account.

**Fees and Expenses.** Fees and other expenses of maintaining and terminating your Fidelity IRA, if any, are described in the Schedule of Fees which accompany this Disclosure Statement (or in some other manner acceptable to the Custodian) and may be changed from time to time, as provided in the Custodial Agreement.

**Prohibited Transactions.** If any of the events prohibited by Section 4975 of the Code (such as any sale, exchange or leasing of any property between you and your IRA) occurs during the existence of your IRA, your Account will be disqualified and the entire balance in your Account will be treated as if distributed to you as of the first day of the year in which the prohibited event occurs. This "distribution" would be subject to ordinary income tax and, if you, as Depositor are under age 59½ at the time, to a nondeductible 10% penalty tax on premature distributions. If any part of your IRA is pledged as security for a loan, then the portion so pledged will be treated as if distributed to you, and will be taxable to you as ordinary income and subject to a nondeductible 10% penalty during the year in which you make such a pledge. The purchase of any securities on margin within your Fidelity IRA will result in a prohibited transaction.

**Other Tax Considerations.**

**Tax Withholding.** Federal income tax will be withheld from distributions you receive from an IRA unless you elect not to have such tax withheld. However, if IRA distributions are to be delivered outside of the United States, this withholding tax is mandatory and you may not elect otherwise unless you certify to the Custodian that you are a U.S. Citizen or other U.S. Person (including a resident alien individual). This tax withholding will also be mandatory if you have not provided a valid residential address within the United States. (A post office box is not deemed to be a valid residential address.) Federal income tax will be withheld at the rate of 10%, unless a higher rate is elected by you, or if non-resident alien withholding applies. In addition, state income tax may be withheld from your IRA distributions, if applicable, depending on the state of residence indicated in your legal address of record for the Account.

**Reporting for Tax Purposes.** If you are a Depositor, you will be required to designate your contribution as deductible or nondeductible. IRS Form 8606 may be required to be attached to your IRS Form 1040 or IRS Form 1040A for each year for which a nondeductible IRA contribution or after-tax rollover is made, and thereafter, for each year in which a distribution is taken from the Account. You must also file Form 5329 (or such other forms as the IRS may require) with the IRS for each taxable year in which the contribution limits are exceeded, a premature distribution takes place, an IRA contribution is recharacterized or less than the required minimum amount is distributed from your IRA, as applicable. You are also required to report to the IRS the amount of all distributions you received from your IRA. Other reporting may be required in the event that special taxes or penalties are due.

**No Special Tax Treatment.** No distribution to you or anyone else from your Account can qualify for capital gain treatment under the federal income tax laws. It is taxed to the person receiving the distribution as ordinary income. There are no special averaging rules applicable to distributions from your Account.

**IRS Approval.** The form of this Individual Retirement Account is the model government form provided by the IRS known as Form 5305-A. For more information on IRAs, please refer to IRS Publication 590 or contact the IRS.

## Things to Know Before Using Your Account

The information in this box is only a summary. Please read the agreement for more complete information.

### Using your brokerage retirement account involves risks, for which you assume full responsibility.

As the account owner, you are fully responsible for monitoring your account and for all investment decisions and instructions concerning your account.

Placing orders during times when markets are volatile can be risky, particularly when you are using electronic services to access information or to place orders through your brokerage retirement account.

Before you start using your account or any account feature, it's essential that you understand the terms, conditions, and policies that apply.

### There are certain situations in which it is essential that you get in touch with us.

You need to tell us immediately if any of the following occur:

- You notice anything incorrect or suspicious concerning your orders, account activity, or statements.
- Your financial circumstances or goals change.
- You become subject to laws or regulations concerning corporate insiders, the reporting of certain investments, or employment in the securities industry.

### The terms of this agreement apply only to certain Fidelity retirement accounts.

This account agreement applies to Fidelity IRAs (including Traditional, Rollover, and SEP IRAs), Fidelity Roth IRAs, Fidelity SIMPLE-IRAs, and Fidelity Retirement Plan accounts (Profit Sharing, Money Purchase, and Self-Employed 401(k) plans).

### Disputes between you and Fidelity are settled by arbitration.

As with most brokerage accounts, the parties agree to waive their rights to sue in court, and agree to abide by the findings of an arbitration panel established in accordance with an industry self-regulatory organization.

## How to Contact Us

For matters concerning your account, including questions, changes, and notifications of errors, reach us at:

### By Phone

800-544-6666

### Online

Fidelity.com

### In Writing

Fidelity Investments  
Client Services  
P.O. Box 770001  
Cincinnati, OH 45277-0045

## Who's Who in This Agreement

In this document, "Fidelity," "us," and "we" include Fidelity Brokerage Services LLC ("FBS"), Fidelity Distributors Corporation, and National Financial Services LLC ("NFS"), as the context may require. "You" and "account owner" refer to the owner indicated on the account application.

# About This Agreement

## Fidelity's Commitments to You

Under this agreement, Fidelity has certain rights and responsibilities. When we accept your account application, we are agreeing to serve as your broker and to maintain an account for you. We agree, subject to our acceptance of an authorized order, to buy, sell, or otherwise dispose of securities for you according to your instructions. We also agree to provide various services and features, as described on the following pages.

## Your Commitments to Fidelity

Many of these commitments are spelled out more completely on the following pages, but in general, when you sign the account application, you agree:

- to accept full responsibility for the content and accuracy of all authorized instructions placed on your account, and for all results and consequences of these instructions, including all investment decisions and trading orders, and all instructions placed by you or any other person you authorize
- to pay all fees, charges, and expenses incurred on your account, according to the fee schedule in effect at the time (a current schedule is provided with this agreement); for services we perform at your request that are not covered in our current fee schedule, you agree to pay the applicable fee
- to maintain enough assets in your account to satisfy all obligations as they become due, and to understand that we may take whatever steps we consider necessary to resolve unpaid debts or other obligations
- to use the account and its features according to this agreement and for your own personal purposes only
- if you use any of our electronic services, to have your personal financial information transmitted electronically, and to receive your initial notice of our privacy policy electronically
- to keep secure your account number and password (personal identification number, or PIN) and any devices, such as mobile phones or pagers, you use in connection with your account
- to let us monitor and/or record any phone conversations with you
- to let us verify the information you provide and obtain credit reports and other credit-related information about you at any time, such as payment and employment information, and to permit any third-party service provider to do likewise
- to resolve disputes concerning your relationship with us (other than class actions) through arbitration rather than in a court of law
- if applying for, or using, any optional features or services (including online or other electronic services), to understand and accept the terms associated with them
- to protect Fidelity against losses arising from your use of market data and other information provided by third parties
- to understand that, whenever you invest in, or exchange into, any mutual fund (including any fund serving as your core account), you are responsible for reading that fund's prospectus, including its description of the fund, the fund's fees and charges, and the operation of the fund
- to notify us in writing any time there is a material change in your financial circumstances or investment objectives
- to be bound by the current and future terms of this agreement, from the time you first use your account or sign your application, whichever happens first

# Account Features

Certain features and services are standard with your Fidelity retirement account. Others are optional, and may be added either when you open your account or later. Note that some features and fees vary depending on the nature of your relationship with Fidelity.

---

## Standard Features

### Securities Trading

This account is a brokerage account that allows the trading and holding of many securities that are publicly traded in the United States, such as most securities in these categories:

- stocks, including common and preferred
- bonds, including corporate, municipal, and government
- convertible securities
- mutual funds, including Fidelity funds, non-Fidelity funds, and closed-end funds such as exchange-traded funds (ETFs)
- options, although retirement accounts are only eligible for writing covered calls, buying calls/puts, and buying long straddles/strangles/combinations with respect to index and equity options in all cases
- options spreads may be permitted in IRA accounts provided certain conditions are met; please contact your Fidelity representative for more information
- Certificates of deposit (CDs)
- Unit investment trusts (UITs)

In addition, the account can be used to trade certain foreign securities (either directly or as depositary receipts) and certain precious metals.

Some investments that **cannot** be traded through your Fidelity retirement account are futures, commodities, and currencies.

When you place a trade, you may have a choice of order types, including market orders, limit orders, stop orders, and stop-limit orders. To find out how these different types of orders work, and for other helpful information, go to [Fidelity.com/brokerage](https://www.fidelity.com/brokerage).

### Core Account

Your Fidelity retirement account includes a core account that is used for settling transactions and holding balances awaiting investment. Amounts contributed or received will be invested in the core account investment vehicle, which is generally the Fidelity Cash Reserves money market fund, or any other investment vehicle Fidelity might make available for this purpose.

### Statements

We will send an account statement of to the address of record:

- every calendar quarter, at a minimum
- for any month when you have trading or cash management activity

Your account statements will show all activity in your account for the stated period, including securities transactions, cash balances, credits and debits to your core account, and all fees paid directly from your account.

We will also send a confirmation for every securities transaction in your account. The only exceptions are automatic investments, automatic withdrawals, dividend reinvestments, and transactions that involve only your core account; for these activities, your regular account statement serves in place of a confirmation.

To receive your account statements and confirmations faster, you can arrange to have them delivered electronically instead of through the mail. This option is free, and you can switch to or from it any time upon request.

### Account Protection

The securities in your account are protected in accordance with the Securities Investor Protection Corporation (SIPC) for up to \$500,000 (including up to \$100,000 for uninvested cash). We also provide additional coverage above these limits. Neither coverage protects against a decline in the value of your securities, nor does either coverage extend to certain securities that are considered ineligible for coverage.

For more details on the SIPC, or to request an SIPC brochure, visit [www.sipc.org](https://www.sipc.org) or call 202-371-8300.

---

## Optional Features

You can set up these services using your account application. To add them to an existing account, contact Fidelity. Some of these features are covered by their own customer agreements, which are incorporated into this agreement by reference (are legally considered part of this agreement) and will be provided to you as applicable. Note that some services are not available for certain types of accounts.

### Checkwriting

Checkwriting is available on certain retirement accounts. Note that cancelled checks are not returned to you, although check imaging may be available.

### Electronic Funds Transfer

You may transfer cash in and out of your core account using electronic funds transfer (EFT), which works like an electronic check. You can also arrange for your brokerage account to receive periodic payments from other accounts, or transfers from other sources, such as Automatic Investments.

### Dividend Reinvestment

In addition to reinvestment of mutual fund dividends, reinvestment of dividends from eligible equities and closed-end funds is an option for most retirement accounts. You can choose to have the service apply to all eligible securities in your account, or only to certain ones. You can request this feature by phone or in writing (for all securities or for individual ones) once you have established your account.

---

## Accessing Your Account

There are a variety of ways you can place orders, access your account, get market and investment information, or contact Fidelity. Online choices include [Fidelity.com](https://www.fidelity.com), Fidelity Active Trader Pro®, alerts and wireless trading services, and other interactive services for computers or hand-held devices. Some of these services are offered by Fidelity directly; others are offered by outside providers.

Telephone choices include Fidelity Automated Service Telephone (FAST®) as well as Fidelity's telephone representatives. Both services are generally available 24 hours a day, seven days a week. You can also speak with a Fidelity representative in person, during business hours, at any of our Fidelity Investor Centers around the country.

# Account Policies

---

## Account Registration

### Custodial Accounts

For accounts opened by a parent, guardian, or custodian for the benefit of a minor, by opening this type of account you agree that all account assets will be used only for the minor's benefit. Note that the IRA Custodian or Plan Trustee may restrict the use of this type of account.



---

## Account Usage

### First Use of a Mutual Fund Core Account

Making your first investment into Fidelity Cash Reserves or any other mutual fund made available by Fidelity and designated as your core account is your acknowledgment that you have received and read a prospectus or profile prospectus for that fund. Note that your core account investments must meet the applicable investment minimums.

### Prohibited Uses and Actions

You are strictly prohibited from using your account in conjunction with any business as a broker-dealer, trader, agent, or advisor in any type of security, commodity, future, or contract, or in any business or organization connected with individuals performing these functions. You are also prohibited from publicizing or sharing with anyone any information you obtain through your account (such as securities quotes). In addition, be aware that we may freeze your account or suspend certain privileges, features, or services at any time without notice.

### Limits on Mutual Fund Trades

Because excessive trading in mutual fund shares can be detrimental to a fund and its shareholders, we may block account owners or accounts that engage in excessive trading from making further transactions in fund shares. A block on trading fund shares may be temporary or permanent, and may apply only to certain mutual funds or all mutual funds, including Fidelity funds.

The decision to impose a block may originate with a mutual fund company or may be made by Fidelity at the brokerage account level, if Fidelity believes such a block is warranted. To see what a given fund company's definition of "excessive trading" is, check the fund's prospectus.

In addition, we may restrict or limit any transaction in any mutual fund or other investment company that we or an affiliate manages or advises if we believe the transaction could adversely affect the investment company or its shareholders.

---

## How Transactions Are Settled

### Credits to Your Account

Any new deposits or proceeds from transactions are automatically swept daily into your core account.

Each check deposited is promptly credited to your core account. However, the money may not be available to use until up to four business days later, and we may decline to honor any debit that is applied against the money before the deposited check has cleared.

If a deposited check does not clear, the deposit will be removed from your account, and you are responsible for returning any interest you received on it. Note that we can only accept checks denominated in U.S. dollars and drawn on a U.S. bank account (including a U.S. branch of a foreign bank). We cannot accept third-party checks.

### Debits to Your Account

All debit items (including checks, securities purchases, and electronic transfers of money) are paid daily to the extent that sufficient funds are available. Note that debits to resolve securities transactions or the payment of account fees will be given priority over other debits, such as checks.

As an account owner, you are responsible for satisfying all debits on your account, including any debit balance outstanding after all assets have been removed from an account, and any costs (such as legal fees) that we incur in collecting the debit.

To help ensure the proper discharge of debits, it is our policy to turn to the following sources, in this order, when settling debits against your account:

- any money that is added to your account (such as checks, interest, or transaction proceeds) on the same day the debit is applied
- any money in your core account

- any shares in a Fidelity money market fund held in this or another brokerage retirement account that has the same registration (which you authorize us to sell for this purpose when you sign the application)
- any other securities in this or another brokerage retirement account

Money market fund shares used to pay debits are redeemed at the share price in effect at the time (typically \$1). For disclosures concerning money market funds, see "Money Market Fund Investments" in the "Disclosures" section of this agreement.

Note that distributions from a Fidelity Retirement Plan account are subject to certain plan and IRS restrictions.

### Resolving Unpaid Obligations or Other Obligations

If the sources listed above in "Debits to Your Account" (which are defined as your "available balance" for purposes of this agreement) are not enough to satisfy a given debit, we reserve the right to take action as we see fit, including declining to honor the debit, which may result in fees (such as a returned check fee) or other consequences for you.

Note that at any time, we may reduce your available balance based on obligations that have been incurred but not yet debited.

It is important to understand that we do have additional choices for resolving unsatisfied obligations. Like many other securities brokers, we reserve the right to sell or otherwise use assets in an account to discharge any obligations the account owner(s) may have to us (including unmatured and contingent obligations), and to do so without further notice or demand. For example, if you have bought securities but not paid for them, we may sell them ourselves and use the proceeds to settle the purchase.

Although Fidelity may use other methods when it determines they may be more appropriate, Fidelity reserves the right to use the provisions described in this section at any time, except when they would conflict with the Employee Retirement Income Security Act of 1974 (ERISA) or the Internal Revenue Code of 1986, both as amended.

### Transaction Settlement Deadlines

Generally, you need to pay for all transactions or deliver all securities by 2 p.m. Eastern time on the settlement date. We reserve the right to cancel or liquidate, at your risk, any transaction not settled in a timely way.

---

## Policies on Optional Features

### EFT Transactions

EFT transactions are normally completed within three to seven business days of your request. An EFT transfer may be for between \$10 and \$99,999. The two accounts involved in an EFT transaction must have at least one owner's name in common (and that name must match exactly). To send and receive EFT transactions, your bank must be a member of the Automated Clearing House (ACH) system.

For EFT transactions, you hereby grant us limited power of attorney for purposes of redeeming any shares in your accounts (with the right to make any necessary substitutions), and direct us to accept any orders to make payments to an authorized bank account and to fulfill these orders through the redemption of shares in your account. You agree that the above appointments and authorizations will continue until we receive written notice of any change at the address listed following "Things to Know Before Using Your Account," although we may cease to act as agents to the above appointments on 30 days' written notice to your account's address of record.

## Dividend Reinvestment Program

With this feature, all dividends paid by eligible securities that you designate for reinvestment are automatically reinvested in additional shares of the same security. (For purposes of the Dividend Reinvestment Program, “dividends” means cash dividends and capital gain distributions, late ex-dividend payments, and special dividend payments, but not cash-in-lieu payments.) In designating any eligible security for reinvestment, you authorize us to purchase shares of that security for your account.

To be eligible for this feature, a security must satisfy all of the following:

- be a closed-end fund, common stock, or foreign security (generally American depository receipts [ADRs])
- be margin-eligible (as defined by NFS)
- be listed on the New York Stock Exchange or the American Stock Exchange (or one of their affiliated exchanges), or traded on the NASDAQ Stock Market.
- be held in street name by NFS (or at a securities depository on its behalf)
- not be held as a short position

Dividends are reinvested on shares that satisfy all of the following:

- the security is eligible
- you own the shares on the dividend record date
- you own the shares on the dividend payable date (even if you sell them that day)
- your position in the security has been settled on or before the dividend record date
- the shares are designated for reinvestment as of 9 p.m. Eastern time on the dividend record date

Shares purchased through the Dividend Reinvestment Program will generally be placed in your account as of the dividend payable date. Note, however, that the stock price at which your reinvestment occurs is not necessarily the same as the price that is in effect on the dividend payable date. This is because we generally buy the shares of domestic companies three business days before the dividend payable date, at the market price(s) in effect at the time, in order to help ensure that we have shares on hand to place in your account on the dividend payable date. Other factors may require the purchase of the shares on a different business day which may be before, on or after the dividend payable date, e.g., dividends of foreign companies. Also, shares of securities which have an unusual ex-dividend date are purchased on the ex-dividend date and placed in your account on the first business day following the dividend payable date. Therefore you may end up receiving more or fewer shares than if your dividend had been reinvested on the dividend payable date itself, particularly if there are significant changes in the market price of a security just before its dividend payable date. If several purchase transactions are necessary to reinvest your and other customers’ dividends in a particular security, the price per share will be the weighted average price per share for all shares purchased. If sufficient shares are unavailable in the market to satisfy all customers’ requirements for dividend reinvestment for a security, the dividend will not be reinvested.

Automatic reinvestments often involve purchase of fractional shares, calculated to three decimal places. Partial shares pay prorated dividends and can be sold if you sell your entire share position, and will be liquidated automatically in transfers and certain other situations, but otherwise typically cannot be sold.

Although for dividend reinvestments your regular account statement takes the place of a trade confirmation, you can generally obtain status information the day after the reinvestment date by contacting Fidelity.

If you transfer or reregister your account within Fidelity (for example, by changing from a Traditional IRA to a Roth IRA), you need to redesignate any securities whose dividends you want reinvested.

Wherever possible, we will buy reinvestment shares through a program offered by the Depository Trust Company (DTC) that offers a share price discount (generally up to 5%). To find out which securities are currently available through the DTC, contact Fidelity. Note that the availability through this program of any given security may change

without notice. Also note that DTC program transactions take longer to process: although the transactions are effective as of the dividend payable date, they are generally not posted to your account until 10 to 15 days later. If you sell your dividend-generating shares before the posting date, the dividend will not be reinvested.

Note that dividend reinvestment does not ensure a profit on your investments and does not protect against loss in declining markets.

---

## Precious Metals

Precious metals and other collectibles within the meaning of Section 408(m) of the Internal Revenue Code may not be purchased in retirement accounts except as otherwise permitted by ERISA and the Internal Revenue Code, as applicable, and to the extent permitted by Fidelity. Precious metals are not covered by SIPC account protection, but are insured by the depository at market value if stored through us. When trading precious metals, note that because they can experience sudden and rapid price changes, they are risky as investments, and we cannot guarantee you an advantageous price when you trade them.

---

## Closing Your Account

We can close your account, or terminate any optional feature, at any time, for any reason, and without prior notice. You can close your account, or terminate any optional feature, by notifying us in writing or calling us on a recorded line. We may automatically close accounts with zero balances.

Regardless of how or when your account is closed, you will remain responsible for all charges, debit items, or other transactions you initiated or authorized, whether arising before or after termination. Note that a final disbursement of assets may be delayed until any remaining issues have been resolved.

---

## Monitoring Your Account and Notifying Us of Errors

As an account owner, you are responsible for monitoring your account. This includes making sure that you are receiving transaction confirmations, account statements, and any other expected communications. It also includes reviewing these documents to see that information about your account is accurate and contains nothing suspicious.

Note that so long as we send communications to you at the physical or electronic address of record given on the application, or to any other address given to us by an authorized person, the communications are legally presumed to have been delivered, whether you actually received them or not. In addition, confirmations and statements are legally presumed to be accurate unless you specifically tell us otherwise.

If you have not received a communication you expected, or if you have a question or believe you have found an error in any communication from us, telephone us immediately, then follow up with written confirmation (see contact information following “Things to Know Before Using Your Account”).

You agree to notify us immediately if:

- you placed an order electronically but did not receive a reference number for it (an electronic order is not considered received until we have issued an acknowledgment)
- you received confirmation of an order you did not place, or any similar conflicting report
- there is any other type of discrepancy or suspicious or unexplained occurrence relating to your account
- your personal identification number (PIN) or access device is lost or stolen, or you believe someone has been using it without authorization

If any of these conditions occurs and you fail to notify us immediately, neither we nor any other Fidelity affiliate will be liable for any consequences. If you do immediately notify us, our liability is limited as described in this agreement.

With any feature or service that is governed by a separate agreement (such as an options trading agreement), note that different policies concerning error resolution and liability may apply, as described in the separate agreement.

If, through any error, you have received property that is not rightfully yours, you agree to notify us and to immediately return the property and any earnings it may have yielded.

---

## Complying with Applicable Laws and Regulations

In keeping with federal and state laws, and with securities industry regulations, you agree to notify us in writing if any of the following occur (with all terms in quotes defined as being within the meaning of the Securities Act of 1933):

- if you are, or later become, an “affiliate” or employee of a stock exchange, a member firm of an exchange or the Financial Industry Regulatory Authority (FINRA), a municipal securities dealer, or Fidelity or any Fidelity “affiliate”
- if you are, or later become, an “affiliate” or “control person” with respect to any security held in your account
- if any transactions in your account regarding securities whose resale, transfer, delivery, or negotiation must be reported under state or federal laws

You also agree to:

- ensure that your account transactions comply with all applicable laws and regulations, understanding that any transaction subject to special conditions may be delayed until those conditions are met
- comply with all policies and procedures concerning “restricted” and “control” securities that we may require
- comply with any insider trading policies that may apply to you as an employee or “affiliate” of the issuer of a security

We will assume that any securities or transactions in your account are not subject to the laws and regulations regarding “restricted” and “control” securities unless you specifically tell us otherwise.

---

## Limits to Our Responsibility

Although we strive to ensure the quality and reliability of our services, including electronic services (such as online, wireless, and automated telephone services), neither we nor any third party whose services we arrange for are responsible for the availability, accuracy, timeliness, completeness, or security of any service related to your account.

You therefore agree that we are not responsible for any losses you incur (meaning claims, damages, actions, demands, investment losses, or other losses, as well as any costs, charges, attorneys’ fees, or other fees and expenses) as a result of any of the following:

- the acceptance and processing of any order placed on your account, whether received electronically or through other means, as long as the order reasonably appears to be authentic
- investment decisions or instructions placed on your account, or other such actions attributable to you or any authorized person
- occurrences related to governments or markets, such as restrictions, suspensions of trading, or high market volatility or trading volumes
- uncontrollable circumstances in the world at large, such as wars, earthquakes, power outages, or unusual weather conditions
- occurrences related to computers and communications, such as a network or systems failure, a message interception, or an instance of unauthorized access or breach of security

- with respect to electronically provided market data or other information provided by third parties, any flaw in the timing, transmission, receipt, or substance (such as any inaccuracy, error, delay, omission, or sequence error, any nonperformance, or any interruption of information), regardless of who or what has caused it to occur
- the storage and use of information about you and your account(s) by our systems and transmission of this information between you and us; these activities occur entirely at your risk
- the usage of information received by you or us through any electronic services
- telephone requests for redemptions, so long as we transmit the proceeds to you or the bank account number identified
- difficulties receiving information or accessing your account that are due to the equipment you use, including difficulties resulting from technical incompatibilities, malfunctions, inherent limitations, or interruptions in service
- any checks or other debits to your account that are not honored because the account has insufficient funds

If any service failure is determined to be our responsibility, we will be liable only for whatever benefit you would have realized up to the time by which you should have notified us, as specified earlier in “Monitoring Your Account and Notifying Us of Errors.”

---

## Indemnification

You agree to indemnify us from, and hold us harmless for, any losses (as defined in “Limits to Our Responsibility”) resulting from your actions or failures to act, whether intentional or not, including losses resulting from actions taken by third parties.

If you use any third-party services or devices in connection with your account (such as Internet service or wireless devices), all service agreements and payments for these are your responsibility. Rates and terms are set by the service providers and are not Fidelity’s responsibility.

Note that beyond taking reasonable steps to verify the authenticity of instructions, we have no obligation to inquire into the purpose, wisdom, or propriety of any instruction we receive.

---

## Terms Concerning This Agreement

### Applicability

This agreement is the only agreement between you and us concerning its subject matter, and covers all accounts that you, at whatever time, open, reopen, or have opened with us. In addition, if you have already entered into any agreements concerning services or features that relate to this account (such as the usage agreement for Fidelity.com), or if you do so in the future, this agreement incorporates by reference the terms, conditions, and policies of those agreements. In the case of any conflict between this agreement and an agreement for a particular service or feature, the service or feature agreement will prevail.

### Governing Laws and Policies

This agreement and its enforcement are governed by the laws of the Commonwealth of Massachusetts, except with respect to its conflicts-of-law provisions.

All transactions through Fidelity are subject to the rules and customs of the marketplace where they are executed, as well as to applicable state and federal laws. In addition, the services below are subject to the following laws and policies:

- Securities trades: any Fidelity trading policies and limitations that are in effect at the time
- Online services: the license or usage terms posted online
- Checkwriting: the applicable provisions of the Uniform Commercial Code and the rules of the bank providing the service

## Modification and Enforcement

We may amend or terminate this agreement at any time. This may include changing, dropping, or adding fees and policies, changing features and services or the entities that provide them (such as the bank that provides checkwriting), and limiting the usage or availability of any feature or service, within the limits of applicable laws and regulations. Although it is our policy to send notice to account owners of any material changes, we are not obligated to do so in most cases. Apart from changes originating in these ways, no provision of this agreement can be amended or waived except in writing by an authorized representative of Fidelity.

Fidelity may transfer its interests in this account or agreement to any of its successors and assigns, whether by merger, consolidation, or otherwise. You may not transfer your interests in your account or agreement (including de facto transferal by giving a nonowner access to the account using a PIN) except with the prior written approval of Fidelity, or through inheritance, divorce, or similar circumstance, as allowed by law, in which case any rights and obligations in existence at the time will accrue to, and be binding on, your heirs, executors, administrators, successors, or assigns.

We may enforce this agreement against any and all account owners. In addition, any securities exchanges or associations that provide information to you through your account may enforce the terms of this agreement directly against you. Although we may not always enforce certain provisions of this agreement, we retain our full right to do so at any time.

If any provision of this agreement is found to be in conflict with applicable laws, rules, or regulations, either present or future, that provision will be enforced to the maximum extent allowable, or made to conform, as the case may be. However, the remainder of this agreement will remain fully in effect.

## Trading in Volatile Markets— Understand the Risks

Volatile markets can present higher trading risks, especially when you are using electronic services to access information or place orders. Ways to manage some of these risks include:

- **Consider placing limit orders instead of market orders** In certain market conditions or with certain types of volatile securities, price changes may be significant and rapid during regular or after-hours trading. In these cases, placing a market order could result in a transaction that exceeds your available funds, meaning that Fidelity would have the right to sell other assets in your account. This is especially a risk in accounts that you cannot easily add money to, such as retirement accounts.
- **Be aware that quotes, order executions, and execution reports could be delayed** During periods of heavy trading or volatility, quotes that are provided as “real time” may be stale—even if they appear not to be—and you may not receive every quote update. Security prices can change dramatically during such delays.
- **When cancelling an order, be sure your original order is actually cancelled before entering a replacement order** Don't rely on a receipt for your cancellation order: that order may have arrived too late for us to act on.
- **Use other ways to access Fidelity during peak volume times** Phone or computer capacity limitations could mean delays in getting information or placing orders. If you are having problems with one method, try another.

The chances of encountering these risks are higher for individuals using day-trading strategies. In part for this reason, Fidelity does not promote day-trading strategies.

For more information on trading risks and how to manage them, visit [Fidelity.com](https://www.fidelity.com) or contact Fidelity.

# Disclosures

## Service Providers

Retirement brokerage services are provided by NFS, an affiliate of FBS. Bonds may be traded through NFS (which may choose to act as principal or agent) or through external dealers. Services available through this account are the property of Fidelity or the third parties from which Fidelity has obtained rights. Market data provided by national securities exchanges or associations remain the property of those entities.

## Routing of Orders

FBS routes most customer orders to its affiliated broker-dealer, NFS, which in turn sends orders to various exchanges or market centers for execution. In deciding where to send an order, NFS looks at a number of factors, such as size of order, trading characteristics of the security, favorable execution prices (including the opportunity for price improvement), access to reliable market data, availability of efficient automated transaction processing, and execution cost. Some market centers may execute orders at prices superior to publicly quoted market prices. Although you can instruct us to send an order to a particular marketplace, our order-routing policies are designed to result in transaction processing that is favorable for you.

## Certain Fees We Receive

Fidelity and its affiliates receive fees for providing certain products and services. Below is a partial list of affiliates, and the services they are paid for:

- Fidelity Management & Research Company—fee for serving as an investment advisor to the Fidelity funds.
- FBS and NFS—payments or other consideration (such as financial credits or reciprocal business) for directing equity trades to particular broker-dealers or market centers for execution. In addition to sales loads and 12b-1 fees described in the prospectus, FBS or NFS receives other compensation in connection with the purchase of certain mutual fund shares and/or the ongoing maintenance of those positions in your brokerage account. This additional compensation may be paid by the mutual fund, its investment advisor, or one of its affiliates. Additional information about the source(s) and amount(s) of compensation, as well as other remuneration received by FBS or NFS, will be furnished to you upon written request.

## Warranty Disclaimer

**Neither we nor any third party makes any representations or warranties express or implied, including, without limitation, any implied warranties of merchantability or fitness for a particular purpose in respect of any services provided in connection with this account, or any information programs or products obtained from, through, or in connection with these services. In no event will we or any third party be liable for direct, indirect, incidental, or consequential damages resulting from any defect in or use of these services.**

## Money Market Fund Investments

An investment in a money market fund is neither insured nor guaranteed by the Federal Deposit Insurance Corporation or any other U.S. government agency. Although a money market fund seeks to preserve the value of your investment at \$1 per share, it is possible to lose money by investing in a money market fund.

## Wisconsin Marital Property Act

Married Wisconsin residents should be aware that no provision of any marital property agreement, unilateral agreement, or court decree under Wisconsin's Marital Property Act will adversely affect a creditor's interest unless, prior to the time credit is granted, the creditor is furnished a copy of, or given complete information about, that agreement or decree.

## Resolving Disputes — Arbitration

This agreement contains a pre-dispute arbitration clause. Under this clause, which you agree to when you sign your account application, you and Fidelity agree as follows:

- A. 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.
- B. Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
- C. The ability of the parties to obtain documents, witness statements, and other discovery is generally more limited in arbitration than in court proceedings.
- D. The arbitrators do not have to explain the reason(s) for their award.
- E. The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the securities industry.
- F. 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.

- G. The rules of the arbitration forum in which the claim is filed, and any amendments thereto, shall be incorporated into this agreement.

**All controversies that may arise between you and us concerning any subject matter, issue, or circumstance whatsoever (including, but not limited to, controversies concerning any account, order or transaction, or the continuation, performance, interpretation or breach of this or any other agreement between you and us, whether entered into or arising before, on, or after the date this account is opened) shall be determined by arbitration in accordance with the rules then prevailing of the Financial Industry Regulatory Authority (FINRA) or any United States securities self-regulatory organization or United States securities exchange of which the person, entity, or entities against whom the claim is made is a member, as you may designate. If you designate the rules of a United States self-regulatory organization or United States securities exchange and those rules fail to be applied for any reason, then you shall designate the prevailing rules of any other United States securities self-regulatory organization or United States securities exchange of which the person,**

**entity, or entities against whom the claim is made is a member. If you do not notify us in writing if your designation within five (5) days after such failure or after you receive from us a written demand for arbitration, then you authorize us to make such designation on your behalf. The designation of the rules of a self-regulatory organization or securities exchange is not integral to the underlying agreement to arbitrate. You understand that judgment upon any arbitration award may be entered in any court of competent jurisdiction.**

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 member of a putative class action 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; or (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this agreement except to the extent stated herein.



# Privacy Policy

## Our Commitment to Privacy

Fidelity Investments and the Fidelity Funds are committed to maintaining the confidentiality, integrity, and security of personal information about our current and prospective customers. We are proud of our privacy practices and want you to know how we protect this information and use it to service your account.

We hope you will take a moment to review the full privacy policy of the Fidelity Investments family of companies. Please note that certain details of this policy may depend on whether you deal with us through an investment professional, your employer, or directly as an individual investor. If you are a shareholder in one or more Fidelity Funds, please also review the related privacy policy of the Funds.

The privacy policies of Fidelity Investments and the Fidelity Funds are reviewed annually. Our printed and online notices are then updated to reflect any changes.

## Fidelity Investments Privacy Policy

### How and Why We Obtain Personal Information

Fidelity takes great care to protect personal information about you, and when we use it, we do so with respect for your privacy. We may use personal information about you to service and maintain your account; process transactions in your account; respond to inquiries from you or your representative; develop, offer, and deliver products and services; or to fulfill legal and regulatory requirements. Fidelity may collect public and nonpublic personal information about you from any of the following sources:

- you or your representative on applications or forms (for example, name, address, Social Security number, birth date, assets, and income)
- you or your employer or plan sponsor if Fidelity provides them with recordkeeping services (for example, payroll, human resource, or benefits information)
- transactional activity in your account (for example, trading history and balances)
- other interactions with Fidelity (for example, discussions with our customer service staff or information you enter into our Web sites)
- information from consumer reporting agencies (for example, to assess your creditworthiness for margin products)
- information from other third-party data services (for example, to verify your identity and to better understand your product and service needs)
- you or your representative regarding your preferences (for example, your choice of electronic statement delivery, or the screen layout you specify if you use our Internet sites)
- other sources with your consent or with the consent of your representative (for example, from other institutions if you transfer positions into Fidelity)

### How We Protect Information About You

Fidelity considers the protection of personal information to be a foundation of customer trust and a sound business practice. We employ physical, electronic, and procedural controls and we regularly adapt these controls to respond to changing requirements and advances in technology.

At Fidelity we restrict access to personal information to those who require it to develop, support, offer, and deliver products and services to you.

## How We Share Information About You With Third Parties

Fidelity does not share personal information about our customers with unaffiliated third parties for use in marketing their products and services. We may share personal information with the following entities:

- unaffiliated service providers (for example, printing and mailing companies, securities clearinghouses, and other entities who may provide services at Fidelity's direction)
- government agencies, other regulatory bodies, and law enforcement officials (for example, for tax purposes or for reporting suspicious transactions)
- other organizations, with your consent or as directed by your representative (for example, if you use Fidelity as a financial reference in applying for credit with another institution), or as permitted or required by law (for example, for fraud prevention)

Our service providers are obligated to keep the personal information we share with them confidential and use it only to provide services specified by Fidelity.

Based on the nature of your relationship with Fidelity, we may exchange information with other third parties as described below:

- if you conduct business with Fidelity through your employer or plan sponsor, we may exchange information related to such business, such as payroll, human resource, or benefits information, with them or others they may authorize.
- if you conduct business with Fidelity through your investment professional, we may exchange information we collect with your investment professional or with others they may authorize.
- if you transact business through Fidelity's life insurance companies, we may validate and obtain information about you from an insurance support organization. The insurance support organization may further share your information with other insurers, as permitted by law.

## Privacy Online

Privacy, security and service in our online operations are just as critical as in the rest of our business. Fidelity employs all of the safeguards described previously, along with the following Internet-specific practices.

We use firewall barriers, encryption techniques, and authentication procedures, among others, to maintain the security of your online session and to protect Fidelity accounts and systems from unauthorized access. We may also place cookies and similar files on your hard drive for purposes such as security, to facilitate site navigation, and to personalize your experience on our site. Our cookies do not identify you by name as an individual or by account number.

When you visit Fidelity's Internet sites, we may collect technical and navigational information, such as computer browser type, Internet protocol address, pages visited, and average time spent on our Web sites. This information may be used, for example, to alert you to software compatibility issues, or it may be analyzed to improve our Web design and functionality.

We may use third-party service providers to help us analyze certain online activities. For example, these service providers may help us measure the performance of our online advertising campaigns or analyze visitor activity on our Web sites. We may permit these service providers to use cookies and other technologies, such as Web beacons or pixel tags, to perform these services for Fidelity. We do not share personally identifiable information about our customers with these third-party service providers, and these service providers do not collect such information on our behalf.

## How We Share Information About You Within Fidelity

We may share personal information about you with various Fidelity corporate affiliates, including internal service providers which perform, for example, printing, mailing, and data processing services.

Additionally, if you interact with Fidelity directly as an individual investor (including joint account holders) or through your employer or plan sponsor, we may exchange certain information about you with Fidelity corporate affiliates for their use in marketing products and services as allowed by law.

Information collected from investment professionals' customers is not shared with Fidelity affiliates for marketing purposes, except with your consent or the consent of your investment professional, as allowed by law.

## Additional Information

If you are a former customer, these policies also apply to you; we treat your information with the same care as we do information about current customers.

For your convenience, Fidelity offers several options for accessing and, if necessary, correcting your account information. You can review your information independently using your statements, or through our automated telephone or Internet services. You may also write or call us with your request for information. If we serve you through an investment professional, please contact them directly. Specific Internet addresses, mailing addresses, and telephone numbers are listed on your statements and other correspondence.

The Fidelity Investments Privacy Policy is provided on behalf of:

- Fidelity Brokerage Services LLC
- Fidelity Distributors Corporation
- Fidelity Employer Services Company LLC
- Fidelity Investments Institutional Operations Company, Inc.
- Fidelity Investments Institutional Services Company, Inc.
- Fidelity Management Trust Company
- Fidelity Personal Trust Company, FSB
- Fidelity Stock Plan Services, LLC
- Fidelity Investments Life Insurance Company
- Empire Fidelity Investments Life Insurance Company
- Fidelity Insurance Agency, Inc.
- National Financial Services LLC
- Strategic Advisers, Inc.
- Pyramis Distributors Corporation LLC
- Pyramis Global Advisors, LLC
- Pyramis Global Advisors Trust Company
- Other companies owned by Fidelity Investments using the Fidelity name to provide financial services to customers

## Fidelity Funds Privacy Policy

Protecting your personal information is an important priority for the Fidelity Funds. The Funds' privacy policy is designed to support this objective. The Funds collect non-public personal information concerning you in the following ways:

- information provided by you or your representative on applications or other forms furnished to the Funds or through other interactions that you or your representative have with the Funds
- information arising from your investments in or accounts with the Funds
- information the Funds receive from a consumer reporting agency

The Funds employ physical, electronic, and procedural controls to safeguard your information. For example, the Funds authorize access to your personal and account information only for personnel who need that information in order to provide products or services to you.

The Funds do not disclose any non-public personal information about you, except as permitted by law. For example, the Funds have entered into a number of arrangements with Fidelity Investments to provide for investment management, distribution and servicing of the Funds.

If you decide to close your account, the Funds will continue to adhere to the privacy policies and practices as described in this notice.

Please read the Fidelity Funds Privacy Policy in conjunction with the Privacy Policy for the Fidelity Investments companies of which you are also a customer.

The Fidelity Funds Privacy Policy is provided on behalf of the Fidelity Investments family of mutual funds.

Effective July 2008  
© 2008 FMR LLC. All Rights Reserved.

# Notices

---

## Business Continuity Plans

Recognizing how important it is to you that we make every effort to keep the unexpected from interfering with our operations, we have developed a series of contingency and disaster recovery plans. These plans provide detailed, pretested procedures for dealing with events such as fires, power outages, evacuations, severe weather, destructive acts, and other circumstances that could disrupt business continuity.

The plans have three goals:

- to prevent events and impacts that are within our control
- to ensure the continued operation of all aspects of our business and services in any circumstances, to the extent possible
- to speed the resumption of any disrupted business activities and the recovery of any lost data as quickly as reasonably possible with minimal interruption, depending on the nature and extent of the business disruption

Based on an enterprise-wide review of financial and operational risks, we have put in place contingency and disaster recovery plans that include these major elements:

- backup and recovery technologies for all mission-critical systems
- alternate customer communications systems, including rerouting of critical hotline numbers
- alternate physical site locations and temporary housing for essential personnel
- access contingencies for technology and telecom systems
- employee preparedness training
- procedures for notifying customers in the event of a service disruption, including information on length of the disruption and instructions for contacting Fidelity, and support information

Most types of service disruptions should not affect your access to your account or your ability to withdraw available funds. However, your ability to trade securities may be affected by events beyond our control.

Our contingency and disaster recovery plans are reviewed and updated at least once a year to ensure that they allow for changes in technology, business operations, regulations, and physical facilities. This notice will be updated any time there are material changes. For a current copy of this notice, go to [Fidelity.com](https://www.fidelity.com) or contact a Fidelity Representative.

---

## Nondiscrimination Notice

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, or age (provided the applicant has the capacity to enter into a binding contract); because all or part of the applicant's income derives from a public assistance program; or because the applicant has, in good faith, exercised any right under the Consumer Credit Protection Act. The federal agency that administers compliance with this law concerning this creditor is: Securities and Exchange Commission, 450 Fifth Street NW, Washington, DC 20549.

---

## USA Patriot Act Notice

To help the government fight the funding of terrorism and money-laundering activities, federal law requires Fidelity to verify your identity by obtaining your name, date of birth, address, and a government-issued identification number before opening your account. In certain circumstances, Fidelity may obtain and verify this information with respect to any person(s) authorized to effect transactions in an account. For certain entities, such as trusts, estates, corporations, partnerships, or other organizations, identifying documentation is also required. Your account may be restricted and/or closed if Fidelity cannot verify this information. Fidelity will not be responsible for any losses or damages (including but not limited to lost opportunities) resulting from any failure to provide this information, or from any restriction placed upon, or closing of, your account.

## ADDITIONAL INFORMATION

# Fees

The Fidelity Account® is highly flexible, and our cost structure is flexible as well. Our use of "a la carte" pricing for many features helps to ensure that you only pay for the features you use.

Note that Fidelity has customer categories as well as commission pricing categories, and that the two are not necessarily linked. Your customer category is based on your overall relationship with Fidelity (not just in the area of brokerage services) and is reflected in the level of service you receive from us. Your commission pricing category is based on your asset level and how actively you trade.

### About our Commissions and Fees

For stock and option trades, the rows correspond to the commission pricing categories — Bronze, Silver, or Gold — and the columns correspond to the method you use to place your order.

No matter which pricing category you are in, the most economical way to place trades is online, meaning either through Fidelity.com, Fidelity Active Trader Pro®, or Fidelity Anywhere®. The next most economical way is Fidelity Automated Service Telephone (FAST®). This automated service is available around the clock and can be accessed from a touch-tone phone.

Fee rates other than those for stock and option trades generally are the same for all customers. In the tables for these other fees, the rows correspond to the type of security or fee.

The fees described in this document apply to the Fidelity Account®, Non-Prototype Retirement Accounts, Fidelity Health Savings Accounts (HSAs), and Fidelity IRAs (including Traditional, Rollover and SEP IRA), Fidelity Roth IRA, Fidelity SIMPLE-IRA, and Fidelity Retirement Plan accounts (Profit Sharing, Money Purchase, and Self-Employed 401(k) plans).

### Brokerage Commissions — Which Fee Schedule Applies to You?

For trading stocks and options, we offer three different levels of pricing, with ascending levels of discounts:

- **Bronze** Available to all account owners.
- **Silver** Available to households that meet any of these minimums at Fidelity:
  - \$50,000 or more in assets
  - \$25,000 in assets + 36 trades a year
  - 72 trades a year
- **Gold** Available to households that meet either of these minimums at Fidelity:
  - \$1 million or more in assets
  - \$25,000 in assets + 120 trades a year

Our systems are designed to automatically place you in the most advantageous pricing level. In this process, the systems generally count all eligible accounts, assets and trading activity for your household, meaning all of the accounts included in the periodic statements we provide you. For more information on these policies, including how to make sure you are getting the best pricing you qualify for, see page 2.

## STOCKS

### Bronze

Online **\$19.95 per trade** + 1½¢ a share above 1,000 shares  
FAST® **\$45.00 per trade** + 4½¢ a share above 500 shares  
Rep-Assisted **\$55.00 per trade** + 14¢ a share above 100 shares

### Silver

Online **\$10.95 per trade** + 1½¢ a share above 1,000 shares  
FAST® **\$25.00 per trade** + 2½¢ a share above 1,000 shares  
Rep-Assisted **\$45.00 per trade** + 4½¢ a share above 500 shares

### Gold

Online **\$8.00 per trade**; for extended hours trading, directed trading, or shares priced under \$1: + ½¢ a share above 1,000 shares  
FAST® **\$20.00 per trade** + 2¢ a share above 1,000 shares  
Rep-Assisted **\$35.00 per trade** + 3½¢ a share above 1,000 shares

*These commissions and fees apply to U.S. stocks (including short sales), exchange-traded funds (ETFs), and U.S.-traded foreign securities (ADRs, or American Depositary Receipts, and ORDs, or Ordinaries). Maximum charge: 5% of principal. For foreign stocks not traded in the U.S., add \$50 per trade.*

## OPTIONS

### Bronze

Online **\$19.95 per order** + 75¢ per contract  
FAST® **\$45.00 per order** + \$2.25 per contract  
Rep-Assisted **\$55.00 per order** + \$2.25 per contract

### Silver

Online **\$10.95 per order** + 75¢ per contract  
FAST® **\$25.00 per order** + \$1.75 per contract  
Rep-Assisted **\$45.00 per order** + \$1.75 per contract

### Gold

Online **\$8.00 per order** + 75¢ per contract  
FAST® **\$20.00 per order** + \$1.75 per contract  
Rep-Assisted **\$35.00 per order** + \$1.75 per contract

*Buy-to-close trades: regular online stock rates apply when the contract price is 65¢ or less; or regular options rates (as above) apply when the contract price exceeds 65¢. Exercises and assignments: regular online stock rates apply. Selling shares obtained through exercising an option: no charge. Maximum charge: 5% of principal.*

*Multi-Leg Option orders are charged only one base commission, plus a per contract charge for the total number of contracts executed in the trade.*

## BONDS

### AUCTION PURCHASES

#### U.S. Treasury including TIPS

Online **No charge**  
Rep-Assisted **\$19.95 per trade**

#### New Issues, Primary Purchases (all other fixed income securities except U.S. Treasury)

Online **No charge**  
Rep-Assisted **No charge**

### SECONDARY MARKET TRANSACTIONS

Concessions for all secondary bond (fixed-income) trades are listed below.

#### U.S. Treasury including TIPS

Online **\$0.00 per bond**  
\*\*Rep-Assisted **\$0.00 per bond**

#### All Other Bonds

\*Online **\$1.00 per bond**  
\*\*Rep-Assisted **\$1.00 per bond**

\*Online \$8.00 minimum

\*\*Rep-Assisted \$19.95 minimum

Please note a \$250 maximum applies to all trades and is reduced to \$50 maximum for bonds maturing in one year or less.

*Bond orders cannot be placed through FAST®. Orders for high-yield, mortgage-backed, and other debt securities must be placed through a representative.*

*The offering broker, which may be our affiliate National Financial Services ("NFS"), may separately mark up or mark down the price of the security and may realize a trading profit or loss on the transaction.*

## ADDITIONAL INFORMATION



## MUTUAL FUNDS

### Fidelity Funds

All Methods **No transaction fees**

### No-Transaction-Fee Funds

Online **\$75.00 per short-term redemption**

FAST® **0.5625% of principal per short-term redemption**; minimum \$75.00, maximum \$187.50

Rep-Assisted **0.75% of principal per short-term redemption**; minimum \$100.00, maximum \$250.00

### Transaction-Fee Funds

Online **\$75.00 per investment**

FAST® **0.5625% of principal per investment**; minimum \$75.00, maximum \$187.50

Rep-Assisted **0.75% of principal per investment**; minimum \$100.00, maximum \$250.00

### Load Funds

All Methods **No transaction fees**; sales charges may apply

*Through FundsNetwork®, your account provides access to over 4,500 mutual funds. Note that this section describes only those fees associated with your account. For any fees charged by the fund itself, including any sales charges (for load funds), redemption fees, or exchange fees, see the fund's prospectus. At the time you purchase shares of a no-load fund, those shares will be assigned either a transaction fee (TF) or no transaction fee (NTF) status. When you subsequently sell those shares, any applicable fees will be assessed based on the status assigned to the shares at the time of purchase.*

*There are no sales charges except on load funds. Short-term redemption fees apply only to shares of no-transaction-fee funds held 180 days or less. These fees are designed to discourage trading that can be detrimental to other shareholders and are payable to the fund. If there are 15 short-term redemptions in your account in any 12-month period, during the following 12 months we will charge you a transaction fee on every purchase or exchange (including automatic investments) into any non-Fidelity fund. The short-term redemption fees and the fees triggered by 15 short-term redemptions do not apply to money market funds, shares sold through Personal Withdrawal Service, or shares that were bought with reinvested dividends. You can buy shares in a transaction-fee fund from its principal underwriter or distributor without a Fidelity transaction fee. Read a fund's prospectus carefully before you invest.*

## OTHER INVESTMENTS

**Commercial Paper** **\$50 per transaction**

**New Issue Certificates of Deposit (CDs)** **No purchase fee** when purchasing directly from the issuer (but note that early redemption fees may apply); when purchasing on the secondary market, fees are same as for Government Agency bonds

**Unit Investment Trusts (UITs)** **\$35 minimum per redemption**; no fee to purchase

### Precious Metals

Buy	Gross Amount	% Charged on Gross Amount	Sell	Gross Amount	% Charged on Gross Amount
	\$0–\$9,999	2.90%		\$0–\$49,999	2.00%
	\$10,000–\$49,999	2.50%		\$50,000–\$249,999	1.00%
	\$50,000–\$99,999	1.98%		\$250,000+	0.75%
	\$100,000+	0.99%			

+ delivery charges and applicable taxes  
if you take delivery

*For more information on these investments and the cost of a specific transaction, contact Fidelity at 1-800-544-6666. Minimum fee per precious metals transaction: \$44. Minimum precious metals purchase: \$2,500 (\$1,000 for IRAs). Precious metals may not be purchased in a Fidelity Retirement Plan, and are restricted to certain types of investments in a Fidelity IRA.*

## OTHER FEES

### All Accounts

**Mutual Fund Low Balance Fee** **\$12 per year** for each noncore Fidelity fund under \$2,000; other policies described below

**Send a Wire** **\$15 per transaction**; waived for Gold-Level customers and above

**Voluntary Reorganizations** **\$38 per transaction**; waived for Gold-Level customers; applies to voluntary transactions such as exercising rights or warrants, participating in tender offers, or converting bonds or preferred stock

### Non-Retirement Accounts

**Checkwriting** **\$15 per returned check or stop-payment**; nominal fees may apply for services such as check reorders, copies of checks, and specialty check orders

**Debit Card** **No card fee for Fidelity VISA® Gold Check Card** + \$1.00 per ATM transaction above five transactions per month; households with \$500,000 in assets or 120 trades per year pay no Fidelity ATM fee and Fidelity reimburses domestic ATM fees charged by other institutions up to \$75 per year.

**Credit Card** **No annual fee for Fidelity Investment Rewards Visa Signature® Card** + any interest charges and fees you incur (see your card member agreement)

**Late Settlement** **\$15 per transaction**; charged when a securities purchase settles one or more days late due to insufficient funds being available in your account

**Transfer Limited Partnership Positions** **\$75 per partnership**; applies only when moving a holding in an unregistered partnership to your account

**Transfer and Ship Certificates** **\$100 per certificate**; waived for Gold-Level customers; applies only to customers who have certificate shares reregistered and shipped.

### Manual Check \$10 (Not applicable to Fidelity Retirement Accounts)

Available at Investor Centers, manual checks out of a Fidelity account are subject to a \$10 fee (waived for Gold-level accounts).

### Cashier's Check \$20 (Not applicable to Fidelity Retirement Accounts)

Available only at select Investor Centers, cashier's checks, which are purchased with funds from a Fidelity account, are subject to a \$20 fee (waived for Gold-level accounts).

### Retirement Accounts and HSAs

**Annual Fees** **\$25 per year for SIMPLE IRAs, \$48 per year for Fidelity HSAs**; deducted from account (usually in November) unless employer has already paid it separately

**Close Account** **\$50 per account for Fidelity IRAs (excluding SIMPLE IRAs), Fidelity Retirement Plan accounts, and Fidelity HSAs**

HSAs will be subject to a fee of \$10 per order of 25 checks.

---

## Fee and Trading Policies

Commissions will be charged per order. For commission purposes, orders executed over multiple days will be treated as separate orders. Unless noted otherwise, all fees and commissions are debited from your core account.

### Commission and Fee Waiver Eligibility

To determine your eligibility for reduced commissions or fee waivers, we group the assets and trading activity of all of the eligible accounts shown on your periodic account statement.

Eligible accounts generally include those maintained with Fidelity Service Company, Inc., or FBS (such as 401(k), 403(b), or 457 plan assets) or held in Fidelity Investments Insurance Company accounts, Fidelity Portfolio Advisory Service® or Fidelity Private Portfolio Service® accounts. Assets maintained by Fidelity Personal Trust Company FSB are generally not included. We may include other assets at our discretion.

We will review your account periodically to confirm that your household is receiving the best commission schedule it qualifies for, and may change your commission schedule at any time based on these reviews. We update commission schedules across household accounts promptly after a daily review of trading activity, and monthly after a review of household assets. All trading activity is measured on a rolling 12-month basis.

If you believe there are eligible accounts within your household that are not being counted in our commission and waiver eligibility process — for example, accounts held by immediate family members who reside with you — you may authorize Fidelity to consolidate these accounts into an aggregated relationship household and review them for eligibility. Any resulting commission reductions or fee waivers would extend both to you and to all immediate family members residing with you. Most customers receive only a single customer reporting statement from Fidelity and do not need to take any action. However, for more information, go to [Fidelity.com/goto/commissions](https://www.fidelity.com/goto/commissions) or call us at 1-800-544-6666.

### Mutual Fund Low-Balance Fee

Fund positions are normally valued each year on the second Friday in November. Positions opened after September 30, or after January 1 if using regular investment plans, are not subject to the fee for that calendar year. See your Fidelity fund's prospectus for additional information. This fee does not apply to Portfolio Advisory Services<sup>SM</sup>, SIMPLE IRA, CIT, or BrokerageLink accounts.

### Limits on Feature Eligibility

Retirement accounts and Fidelity BrokerageLink® accounts cannot trade foreign securities or sell short, are not eligible for margin loans, and may be subject to other rules and policies. Please see the literature for these accounts for details.

### Prospectuses and Fact Sheets

Free prospectuses are available for UITs, Fidelity funds, and Fidelity FundsNetwork® funds. Fact sheets are available for Certificates of Deposit. To obtain any of these documents, and for other information on any fund offered through Fidelity, including charges and expenses, call 1-800-544-6666 or visit [Fidelity.com](https://www.fidelity.com).

**Supplement to the  
Fidelity® U.S. Government Reserves and  
Fidelity Cash Reserves  
January 29, 2008  
as revised April 16, 2008  
Prospectus**

*Fidelity U. S. Government Reserves*

*Fidelity Cash Reserves*

On December 3, 2008, the Board of Trustees of the funds listed above (the “Funds”) approved extending the participation by each Fund in the U.S. Department of the Treasury’s Temporary Program for Money Market Funds through April 30, 2009 (the “Program”). If a Fund’s market value per share drops below \$0.995 on any day while the Program is in effect, shareholders of record on that date who also held shares in the Fund on September 19, 2008 may be eligible to receive a payment from the Treasury upon liquidation of the Fund. The amount of any payment will be based on the difference between the per share amount realized upon liquidation of the Fund and \$1.00 per share. Participation by the Funds in the Program does not reflect a decision by any Fund to liquidate. Each shareholder of record’s coverage is limited to the value of shares held as of record on September 19, 2008.

The Program extension requires each participating fund to pay the U.S. Department of Treasury a fee equal to 0.015% (1.5 basis points) based on the number of shares outstanding as of September 19, 2008. This expense will be borne by each fund without regard to any expense limitation currently in effect for a fund. This payment is in addition to the fee paid by each participating fund at the start of the Program in October 2008.

If the Secretary of the Treasury elects to extend the Program past April 30, 2009, the Funds will consider whether to continue to participate in the Program.

Call Fidelity with any questions regarding the Funds’ participation in the Program. More information about the Program is available on the U.S. Department of Treasury’s website at [www.ustreas.gov](http://www.ustreas.gov).

**Fidelity®**

## **U.S. Government Reserves**

(fund number 050, trading symbol FGRXX)

and

**Fidelity**

## **Cash Reserves**

(fund number 055, trading symbol FDRXX)

### **Prospectus**

**January 29, 2008**

**as revised April 16, 2008**

Like securities of all mutual funds, these securities have not been approved or disapproved by the Securities and Exchange Commission, and the Securities and Exchange Commission has not determined if this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.



82 Devonshire Street, Boston, MA 02109



# Contents

<b>Fund Summary</b>	<b>3</b>	<b>Investment Summary</b>
	<b>3</b>	<b>Performance</b>
	<b>4</b>	<b>Fee Table</b>
<b>Fund Basics</b>	<b>6</b>	<b>Investment Details</b>
	<b>7</b>	<b>Valuing Shares</b>
<b>Shareholder Information</b>	<b>8</b>	<b>Buying and Selling Shares</b>
	<b>10</b>	<b>Exchanging Shares</b>
	<b>10</b>	<b>Features and Policies</b>
	<b>11</b>	<b>Dividends and Capital Gain Distributions</b>
	<b>12</b>	<b>Tax Consequences</b>
<b>Fund Services</b>	<b>13</b>	<b>Fund Management</b>
	<b>13</b>	<b>Fund Distribution</b>
<b>Appendix</b>	<b>15</b>	<b>Financial Highlights</b>

# Fund Summary

## Investment Summary

### Investment Objective

**U.S. Government Reserves** seeks as high a level of current income as is consistent with the security of principal and liquidity.

### Principal Investment Strategies

- Normally investing at least 80% of assets in U.S. Government securities and repurchase agreements for those securities.
- Investing in U.S. Government securities issued by entities that are chartered or sponsored by Congress but whose securities are neither issued nor guaranteed by the U.S. Treasury.
- Potentially entering into reverse repurchase agreements.
- Investing in compliance with industry-standard regulatory requirements for money market funds for the quality, maturity, and diversification of investments.

### Principal Investment Risks

- **Interest Rate Changes.** Interest rate increases can cause the price of a money market security to decrease.
- **Issuer-Specific Changes.** A decline in the credit quality of an issuer or a provider of credit support or a maturity-shortening structure for a security can cause the price of a money market security to decrease.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.

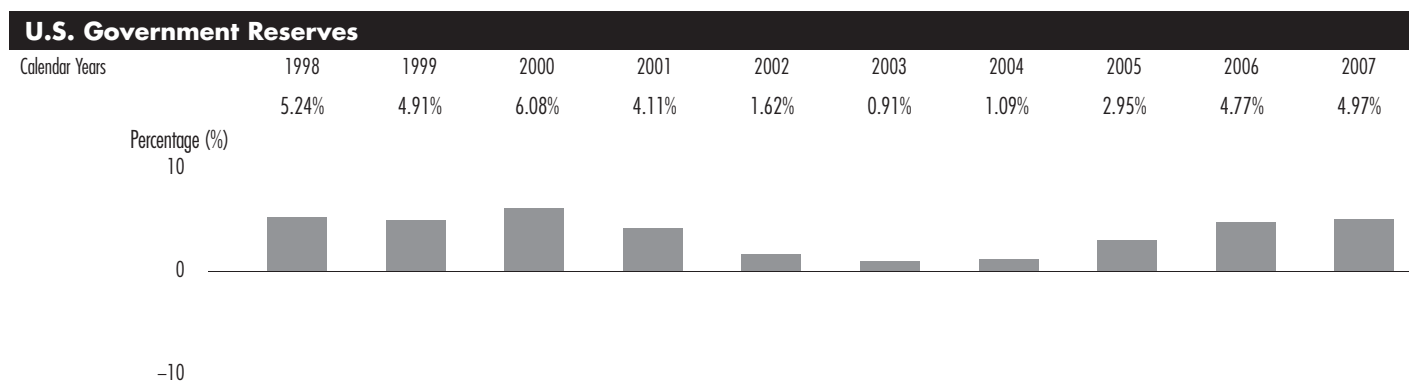
### Investment Objective

**Cash Reserves** seeks as high a level of current income as is consistent with the preservation of capital and liquidity.

### Principal Investment Strategies

- Investing in U.S. dollar-denominated money market securities of domestic and foreign issuers and repurchase agreements.

## Year-by-Year Returns



During the periods shown in the chart for U.S. Government Reserves:  
 Highest Quarter Return  
 Lowest Quarter Return

Returns  
 1.57%  
 0.19%

Quarter ended  
 December 31, 2000  
 June 30, 2004

- Potentially entering into reverse repurchase agreements.
- Investing more than 25% of total assets in the financial services industries.
- Investing in compliance with industry-standard regulatory requirements for money market funds for the quality, maturity, and diversification of investments.

### Principal Investment Risks

- **Interest Rate Changes.** Interest rate increases can cause the price of a money market security to decrease.
- **Foreign Exposure.** Entities located in foreign countries can be affected by adverse political, regulatory, market, or economic developments in those countries.
- **Financial Services Exposure.** Changes in government regulation and interest rates and economic downturns can have a significant negative effect on issuers in the financial services sector.
- **Issuer-Specific Changes.** A decline in the credit quality of an issuer or a provider of credit support or a maturity-shortening structure for a security can cause the price of a money market security to decrease.

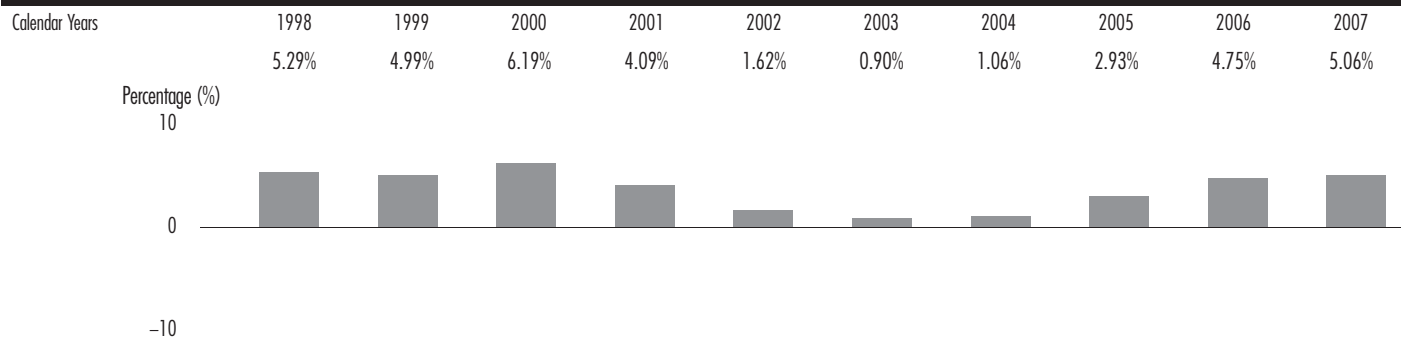
An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.

## Performance

The following information is intended to help you understand the risks of investing in each fund. The information illustrates the changes in each fund's performance from year to year. Returns are based on past results and are not an indication of future performance.

## Fund Summary – continued

### Cash Reserves



During the periods shown in the chart for Cash Reserves:

Highest Quarter Return

Lowest Quarter Return

Returns	Quarter ended
1.58%	September 30, 2000
0.19%	June 30, 2004

### Average Annual Returns

For the periods ended  
December 31, 2007

U.S. Government Reserves

Cash Reserves

Past 1 year	Past 5 years	Past 10 years
4.97%	2.92%	3.65%
5.06%	2.92%	3.67%

### Fee Table

The following table describes the fees and expenses that may be incurred when you buy, hold, or sell shares of a fund.

#### Shareholder fees (paid by the investor directly)<sup>A</sup>

Sales charge (load) on purchases and reinvested distributions	None
Deferred sales charge (load) on redemptions	None
Wire redemption fee	\$5.00

<sup>A</sup> If the fund is your Fidelity brokerage core, you will pay fees charged in connection with certain activity in your Fidelity brokerage account directly from your fund investment. Please see your Fidelity brokerage account materials for additional information.

#### Annual operating expenses (paid from fund assets)

<b>U.S. Government Reserves</b>	Management fee	0.23%
	Distribution and/or Service (12b-1) fees	None
	Other expenses	0.14%
	<b>Total annual fund operating expenses</b>	<b>0.37%</b>
<b>Cash Reserves</b>	Management fee	0.23%
	Distribution and/or Service (12b-1) fees	None
	Other expenses	0.20%
	<b>Total annual fund operating expenses</b>	<b>0.43%</b>

This **example** helps you compare the cost of investing in the funds with the cost of investing in other mutual funds.

Let's say, hypothetically, that the annual return for shares of each fund is 5% and that your shareholder fees and the annual operating expenses for shares of each fund are exactly as described in the fee

table. This example illustrates the effect of fees and expenses, but is not meant to suggest actual or expected fees and expenses or returns, all of which may vary. For every \$10,000 you invested, here's how much you would pay in total expenses if you sell all of your shares at the end of each time period indicated:

<b>U.S. Government Reserves</b>	1 year	\$ 38
	3 years	\$ 119
	5 years	\$ 208
	10 years	\$ 468
<b>Cash Reserves</b>	1 year	\$ 44
	3 years	\$ 138
	5 years	\$ 241
	10 years	\$ 542

# Fund Basics

## Investment Details

### *Investment Objective*

**U.S. Government Reserves** seeks as high a level of current income as is consistent with the security of principal and liquidity.

### *Principal Investment Strategies*

Fidelity Management & Research Company (FMR) normally invests at least 80% of the fund's assets in U.S. Government securities and repurchase agreements for those securities. Certain issuers of U.S. Government securities are sponsored or chartered by Congress but their securities are neither issued nor guaranteed by the U.S. Treasury. FMR also may enter into reverse repurchase agreements for the fund.

In buying and selling securities for the fund, FMR complies with industry-standard regulatory requirements for money market funds regarding the quality, maturity, and diversification of the fund's investments. FMR stresses maintaining a stable \$1.00 share price, liquidity, and income.

### *Investment Objective*

**Cash Reserves** seeks as high a level of current income as is consistent with the preservation of capital and liquidity.

### *Principal Investment Strategies*

FMR invests the fund's assets in U.S. dollar-denominated money market securities of domestic and foreign issuers and repurchase agreements. FMR also may enter into reverse repurchase agreements for the fund.

FMR will invest more than 25% of the fund's total assets in the financial services industries.

In buying and selling securities for the fund, FMR complies with industry-standard regulatory requirements for money market funds regarding the quality, maturity, and diversification of the fund's investments. FMR stresses maintaining a stable \$1.00 share price, liquidity, and income.

### *Description of Principal Security Types*

*Money market securities* are high-quality, short-term securities that pay a fixed, variable, or floating interest rate. Securities are often specifically structured so that they are eligible investments for a money market fund. For example, in order to satisfy the maturity restrictions for a money market fund, some money market securities have demand or put features, which have the effect of shortening the security's maturity. Money market securities include bank certificates of deposit, bankers' acceptances, bank time deposits, notes, commercial paper, and U.S. Government securities. Certain issuers of U.S. Government securities, including Fannie Mae, Freddie Mac, and the Federal Home Loan Banks, are sponsored or chartered by Congress but their securities are neither issued nor guaranteed by the U.S. Treasury.

*U.S. Government securities* are high-quality securities issued or guaranteed by the U.S. Treasury or by an agency or instrumentality of the U.S. Government. U.S. Government securities may be backed

by the full faith and credit of the U.S. Treasury, the right to borrow from the U.S. Treasury, or the agency or instrumentality issuing or guaranteeing the security.

A *repurchase agreement* is an agreement to buy a security at one price and a simultaneous agreement to sell it back at an agreed-upon price.

### *Principal Investment Risks*

Many factors affect each fund's performance. A fund's yield will change daily based on changes in interest rates and other market conditions. Although each fund is managed to maintain a stable \$1.00 share price, there is no guarantee that the fund will be able to do so. For example, a major increase in interest rates or a decrease in the credit quality of the issuer of one of a fund's investments could cause the fund's share price to decrease. It is important to note that neither the funds' share prices nor their yields are guaranteed by the U.S. Government.

The following factors can significantly affect a fund's performance:

**Interest Rate Changes.** Money market securities have varying levels of sensitivity to changes in interest rates. In general, the price of a money market security can fall when interest rates rise and can rise when interest rates fall. Securities with longer maturities and the securities of issuers in the financial services sector can be more sensitive to interest rate changes. Short-term securities tend to react to changes in short-term interest rates.

**Foreign Exposure.** Issuers located in foreign countries and entities providing credit support or a maturity-shortening structure that are located in foreign countries can involve increased risks. Extensive public information about the issuer or provider may not be available and unfavorable political, economic, or governmental developments could affect the value of the security.

**Financial Services Exposure.** Financial services companies are highly dependent on the supply of short-term financing. The value of securities of issuers in the financial services sector can be sensitive to changes in government regulation and interest rates and to economic downturns in the United States and abroad.

**Issuer-Specific Changes.** Changes in the financial condition of an issuer or counterparty, changes in specific economic or political conditions that affect a particular type of issuer, and changes in general economic or political conditions can affect a security's or instrument's credit quality or value. Entities providing credit support or a maturity-shortening structure also can be affected by these types of changes. If the structure of a security fails to function as intended, the security could decline in value.

### **Fundamental Investment Policies**

The policies discussed below are fundamental, that is, subject to change only by shareholder approval.

**U.S. Government Reserves** seeks as high a level of current income as is consistent with the security of principal and liquidity.

**Cash Reserves** seeks as high a level of current income as is consistent with preservation of capital and liquidity.



## Shareholder Notice

The following policy is subject to change only upon 60 days' prior notice to shareholders:

**U.S. Government Reserves** normally invests at least 80% of its assets in U.S. Government securities and repurchase agreements for those securities.

## Valuing Shares

Each fund is open for business each day the New York Stock Exchange (NYSE) is open. Even if the NYSE is closed, each fund will be open for business on those days on which the Federal Reserve Bank of New York (New York Fed) is open, the primary trading markets for each fund's portfolio instruments are open, and each fund's management believes there is an adequate market to meet purchase and redemption requests.

Each fund's net asset value per share (NAV) is the value of a single share. Fidelity normally calculates each fund's NAV as of the close of business of the NYSE, normally 4:00 p.m. Eastern time. Each fund's assets normally are valued as of this time for the purpose of computing the fund's NAV.

NAV is not calculated and a fund will not process purchase and redemption requests submitted on days when the fund is not open for business. The time at which shares are priced and until which purchase and redemption orders are accepted may be changed as permitted by the Securities and Exchange Commission (SEC).

To the extent that each fund's assets are traded in other markets on days when the fund is not open for business, the value of the fund's assets may be affected on those days. In addition, trading in some of a fund's assets may not occur on days when the fund is open for business.

Each fund's assets are valued on the basis of amortized cost.

# Shareholder Information

## Buying and Selling Shares

### General Information

Fidelity Investments was established in 1946 to manage one of America's first mutual funds. Today, Fidelity is the largest mutual fund company in the country, and is known as an innovative provider of high-quality financial services to individuals and institutions.

In addition to its mutual fund business, the company operates one of America's leading brokerage firms, Fidelity Brokerage Services LLC. Fidelity is also a leader in providing tax-advantaged retirement plans for individuals investing on their own or through their employer.

You may buy or sell shares of a fund through a Fidelity brokerage account or a Fidelity mutual fund account. If you buy or sell shares of a fund (other than by exchange) through a Fidelity brokerage account, your transactions generally involve your Fidelity brokerage core (a settlement vehicle included as part of your Fidelity brokerage account).

If you do not currently have a Fidelity brokerage account or a Fidelity mutual fund account and would like to invest in a fund, you may need to complete an application. For more information about a Fidelity brokerage account or a Fidelity mutual fund account, please visit Fidelity's web site at [www.fidelity.com](http://www.fidelity.com), call 1-800-FIDELITY, or visit a Fidelity Investor Center (call 1-800-544-9797 for the center nearest you).

You may also buy or sell shares of the funds through a retirement account (such as an IRA or an account funded through salary deduction) or an investment professional. Retirement specialists are available at 1-800-544-4774 to answer your questions about Fidelity retirement products. If you buy or sell shares of a fund through a retirement account or an investment professional, the procedures for buying, selling, and exchanging shares of the fund and the account features and policies may differ from those discussed in this prospectus. Fees in addition to those discussed in this prospectus may also apply. For example, you may be charged a transaction fee if you buy or sell shares of a fund through a non-Fidelity broker or other investment professional.

### Buying and Selling Information

#### Internet

[www.fidelity.com](http://www.fidelity.com)

#### Phone

**Fidelity Automated Service Telephone (FAST®) 1-800-544-5555**

**To reach a Fidelity representative 1-800-544-6666**

#### Mail

##### Additional purchases:

**Fidelity Investments  
P.O. Box 770001  
Cincinnati, OH 45277-0003**

##### Redemptions:

**Fidelity Investments  
P.O. Box 770001  
Cincinnati, OH 45277-0035**

#### TDD – Service for the Deaf and Hearing Impaired

**1-800-544-0118 (9:00 a.m. – 9:00 p.m. Eastern time)**

**You should include the following information with any order to buy, sell, or exchange shares:**

- Your name;
- Your account number;
- Name of fund whose shares you want to buy or sell; and
- Dollar amount or number of shares you want to buy or sell.

Certain methods of contacting Fidelity, such as by telephone or electronically, may be unavailable or delayed (for example, during periods of unusual market activity). In addition, the level and type of service available may be restricted based on criteria established by Fidelity.

### Minimums

<b>Initial Purchase</b>	<b>\$2,500</b>
For Fidelity Simplified Employee Pension-IRA and Keogh accounts, and Non-Fidelity Prototype Retirement accounts	\$500
Through regular investment plans in Fidelity Traditional IRAs, Roth IRAs, and Rollover IRAs <sup>A</sup>	\$200
<b>Subsequent Purchase</b>	<b>\$250</b>
Through regular investment plans	\$100
<b>Balance</b>	<b>\$2,000</b>
For Fidelity Simplified Employee Pension-IRA and Keogh accounts, and Non-Fidelity Prototype Retirement accounts	\$500

<sup>A</sup> Requires monthly purchases of \$200 until fund balance is \$2,500 worth of shares.

There is no minimum balance or initial or subsequent purchase minimum for investments through Portfolio Advisory Services<sup>SM</sup>, a mutual fund or a qualified tuition program for which FMR or an affiliate serves as investment manager, Fidelity health savings accounts, certain Fidelity retirement accounts funded through salary deduction, or fund positions opened with the proceeds of distributions from such retirement accounts. In addition, each fund may waive or lower purchase minimums in other circumstances.

A fund may reject for any reason, or cancel as permitted or required by law, any purchase or exchange, including transactions deemed to represent excessive trading, at any time.

Excessive trading of fund shares can harm shareholders in various ways, including reducing the returns to long-term shareholders by increasing costs to a fund (such as spreads paid to dealers who sell money market instruments to a fund) and disrupting portfolio management strategies.

FMR anticipates that shareholders will purchase and sell shares of each fund frequently because a money market fund is designed to offer investors a liquid cash option. Accordingly, the Board of Trustees has not adopted policies and procedures designed to discourage excessive trading of money market fund shares and each fund accommodates frequent trading.

A fund may in its discretion restrict, reject, or cancel any purchases or exchanges that, in FMR's opinion, may be disruptive to the management of that fund or otherwise not be in the fund's interests.

Each fund has no limit on purchase or exchange transactions. Each fund reserves the right at any time to restrict purchases or exchanges or impose conditions that are more restrictive on excessive or disruptive trading than those stated in this prospectus.

## Buying Shares

The price to buy one share of each fund is the fund's NAV. Each fund's shares are sold without a sales charge.

Your shares will be bought at the next NAV calculated after your investment is received in proper form.

Each fund has authorized certain intermediaries to accept orders to buy shares on its behalf. When authorized intermediaries receive an order in proper form, the order is considered as being placed with the fund, and shares will be bought at the next NAV calculated after the order is received by the authorized intermediary. Orders by funds of funds for which FMR or an affiliate serves as investment manager will be treated as received by the fund at the same time that the corresponding orders are received in proper form by the funds of funds.

Each fund may stop offering shares completely or may offer shares only on a limited basis, for a period of time or permanently.

If you place an order to buy shares and your payment is not received and collected, your purchase may be canceled and you could be liable for any losses or fees a fund or Fidelity has incurred.

Under applicable anti-money laundering regulations and other federal regulations, purchase orders may be suspended, restricted, or canceled and the monies may be withheld.

## Selling Shares

The price to sell one share of each fund is the fund's NAV.

Your shares will be sold at the next NAV calculated after your order is received in proper form. Normally, redemptions will be processed by the next business day, but it may take up to seven days

to pay the redemption proceeds if making immediate payment would adversely affect a fund.

Each fund has authorized certain intermediaries to accept orders to sell shares on its behalf. When authorized intermediaries receive an order in proper form, the order is considered as being placed with the fund, and shares will be sold at the next NAV calculated after the order is received by the authorized intermediary. Orders by funds of funds for which FMR or an affiliate serves as investment manager will be treated as received by the fund at the same time that the corresponding orders are received in proper form by the funds of funds.

Certain requests must include a signature guarantee. It is designed to protect you and Fidelity from fraud. If you submit your request to Fidelity by mail, your request must be made in writing and include a signature guarantee if any of the following situations apply:

- You wish to sell more than \$100,000 worth of shares;
- The address on your account (record address) has changed within the last 15 or 30 days, depending on your account, and you wish to sell \$10,000 or more of shares;
- You are requesting that a check be mailed to a different address than the record address;
- You are requesting that redemption proceeds be paid to someone other than the account owner; or
- The redemption proceeds are being transferred to a Fidelity account with a different registration.

You should be able to obtain a signature guarantee from a bank, broker (including Fidelity Investor Centers), dealer, credit union (if authorized under state law), securities exchange or association, clearing agency, or savings association. A notary public cannot provide a signature guarantee.

When you place an order to sell shares, note the following:

- If you are selling some but not all of your shares, keep your fund balance above \$2,000 worth of shares to keep your fund position open (\$500 for fund balances in Fidelity Simplified Employee Pension-IRA and Keogh accounts, and Non-Fidelity Prototype Retirement accounts), except fund positions not subject to balance minimums.
- Redemption proceeds (other than exchanges) may be delayed until money from prior purchases sufficient to cover your redemption has been received and collected. This can take up to seven business days after a purchase.
- Redemptions may be suspended or payment dates postponed when the NYSE is closed (other than weekends or holidays), when trading on the NYSE is restricted, or as permitted by the SEC.
- Redemption proceeds may be paid in securities or other property rather than in cash if FMR determines it is in the best interests of a fund.

## Shareholder Information – continued

- If you hold your shares in a Fidelity mutual fund account and you sell shares by writing a check, if available, and the amount of the check is greater than the value of your fund position, your check will be returned to you and you may be subject to additional charges.
- You will not receive interest on amounts represented by uncashed redemption checks.
- If you hold your shares in a Fidelity mutual fund account and your redemption check remains uncashed for more than one year, the check may be invested in additional shares of the fund at the next NAV calculated on the day of the investment.
- Under applicable anti-money laundering regulations and other federal regulations, redemption requests may be suspended, restricted, canceled, or processed and the proceeds may be withheld.

To sell shares issued with certificates, call Fidelity for instructions. Each fund no longer issues share certificates.

## Exchanging Shares

An exchange involves the redemption of all or a portion of the shares of one fund and the purchase of shares of another fund.

As a shareholder, you have the privilege of exchanging shares of a fund for shares of other Fidelity funds.

However, you should note the following policies and restrictions governing exchanges:

- Each fund may refuse any exchange purchase for any reason. For example, each fund may refuse exchange purchases by any person

or group if, in FMR's judgment, the fund would be unable to invest the money effectively in accordance with its investment objective and policies, or would otherwise potentially be adversely affected.

- Before exchanging into a fund, read its prospectus.
- The fund you are exchanging into must be available for sale in your state.
- Exchanges may have tax consequences for you.
- If you are exchanging between accounts that are not registered in the same name, address, and taxpayer identification number (TIN), there may be additional requirements.
- Under applicable anti-money laundering regulations and other federal regulations, exchange requests may be suspended, restricted, canceled, or processed and the proceeds may be withheld.

The funds may terminate or modify the exchange privileges in the future.

Other funds may have different exchange restrictions and minimums, and may impose redemption fees of up to 2.00% of the amount exchanged. Check each fund's prospectus for details.

## Features and Policies

### Features

The following features may be available to buy and sell shares of the funds or to move money to and from your account, depending on whether you are investing through a Fidelity brokerage account or a Fidelity mutual fund account. Please visit Fidelity's web site at [www.fidelity.com](http://www.fidelity.com) or call 1-800-544-6666 for more information.

---

### Electronic Funds Transfer: electronic money movement through the Automated Clearing House

- To transfer money between a bank account and a Fidelity brokerage account or Fidelity mutual fund account.
- You can use electronic funds transfer to:
  - Make periodic (automatic) purchases of Fidelity fund shares or payments to your Fidelity brokerage account.
  - Make periodic (automatic) redemptions of Fidelity fund shares or withdrawals from your Fidelity brokerage account.

---

### Wire: electronic money movement through the Federal Reserve wire system

- To transfer money between a bank account and a Fidelity brokerage account or Fidelity mutual fund account.

---

### Automatic Transactions: periodic (automatic) transactions

- To directly deposit all or a portion of your compensation from your employer (or the U.S. Government, in the case of Social Security) into a Fidelity brokerage account or Fidelity mutual fund account.
- To make contributions from a Fidelity mutual fund account to a Fidelity mutual fund IRA.
- To sell shares of a Fidelity money market fund and simultaneously to buy shares of another Fidelity fund in a Fidelity mutual fund account.

---

### Checkwriting

- To sell Fidelity fund shares from your Fidelity mutual fund account or withdraw money from your Fidelity brokerage account.

## Policies

The following policies apply to you as a shareholder.

**Statements** that Fidelity sends to you include the following:

- Confirmation statements (after transactions affecting your fund balance except reinvestment of distributions in the fund or another fund, certain transactions through automatic investment or withdrawal programs, certain transactions that are followed by a monthly account statement, and other transactions in your Fidelity brokerage core).
- Monthly or quarterly account statements (detailing fund balances and all transactions completed during the prior month or quarter).

To reduce expenses, only one copy of most financial reports and prospectuses may be mailed to households, even if more than one person in a household holds shares of a fund. Call Fidelity at 1-800-544-8544 if you need additional copies of financial reports or prospectuses. If you do not want the mailing of these documents to be combined with those for other members of your household, contact Fidelity in writing at P.O. Box 770001, Cincinnati, Ohio 45277-0002.

Electronic copies of most financial reports and prospectuses are available at Fidelity's web site. To participate in Fidelity's electronic delivery program, call Fidelity or visit Fidelity's web site for more information.

You may initiate many **transactions by telephone or electronically**. Fidelity will not be responsible for any loss, cost, expense, or other liability resulting from unauthorized transactions if it follows reasonable security procedures designed to verify the identity of the investor. Fidelity will request personalized security codes or other information, and may also record calls. For transactions conducted through the Internet, Fidelity recommends the use of an Internet browser with 128-bit encryption. You should verify the accuracy of your confirmation statements upon receipt and notify Fidelity immediately of any discrepancies in your account activity. If you do not want the ability to sell and exchange by telephone, call Fidelity for instructions.

You may be asked to provide additional information in order for Fidelity to verify your identity in accordance with requirements under anti-money laundering regulations. Accounts may be restricted and/or closed, and the monies withheld, pending verification of this information or as otherwise required under these and other federal regulations.

Fidelity may deduct a **small balance maintenance fee** of \$12.00 from a fund balance with a value of less than \$2,000 in shares. It is expected that fund balances will be valued on the second Friday in November of each calendar year. Fund positions opened after September 30 will not be subject to the fee for that calendar year. The fee, which is payable to Fidelity, is designed to offset in part the relatively higher costs of servicing smaller fund positions. This fee will not be deducted from fund positions opened after January 1 of that calendar year if those positions use regular investment plans.

You will be given 30 days' notice to reestablish the minimum balance if your **fund balance** falls below \$2,000 worth of shares (\$500 for fund balances in Fidelity Simplified Employee Pension-IRA and Keogh accounts, and Non-Fidelity Prototype Retirement accounts), for any reason. If you do not increase your balance, Fidelity may sell all of your shares and send the proceeds to you. Your shares will be sold at the NAV on the day Fidelity closes your fund position. Certain fund positions are not subject to these balance requirements and will not be closed for failure to maintain a minimum balance.

Fidelity may charge a **fee for certain services**, such as providing historical account documents.

## Dividends and Capital Gain Distributions

Each fund earns interest, dividends, and other income from its investments, and distributes this income (less expenses) to shareholders as dividends. Each fund may also realize capital gains from its investments, and distributes these gains (less losses), if any, to shareholders as capital gain distributions.

Distributions you receive from each fund consist primarily of dividends. Each fund normally declares dividends daily and pays them monthly.

### Earning Dividends

A fund only processes purchase and redemption requests on days it's open for business.

Shares generally begin to earn dividends on the first business day following the day of purchase.

Shares generally earn dividends until, but not including, the next business day following the day of redemption.

Exchange requests will be processed only when both funds are open for business.

### Distribution Options

When you open an account, specify on your application how you want to receive your distributions. The following distribution options are available for shares of each fund:

**1. Reinvestment Option.** Your dividends and capital gain distributions, if any, will be automatically reinvested in additional shares of the fund. If you do not indicate a choice on your application, you will be assigned this option.

**2. Cash Option.** Your dividends and capital gain distributions, if any, will be paid in cash.

**3. Directed Dividends<sup>®</sup> Option.** Your dividends will be automatically invested in shares of another identically registered Fidelity fund. Your capital gain distributions, if any, will be automatically invested in shares of another identically registered Fidelity fund, automatically reinvested in additional shares of the fund, or paid in cash.

If the distribution option you prefer is not listed on your account application, or if you want to change your current distribution



## Shareholder Information – continued

option, visit Fidelity's web site at [www.fidelity.com](http://www.fidelity.com) or call 1-800-544-6666 for more information.

If you elect to receive distributions paid in cash by check and the U.S. Postal Service does not deliver your checks, your distribution option may be converted to the Reinvestment Option. You will not receive interest on amounts represented by uncashed distribution checks.

If your dividend check(s) remains uncashed for more than six months, your check(s) may be invested in additional shares of the fund at the next NAV calculated on the day of the investment.

## Tax Consequences

As with any investment, your investment in a fund could have tax consequences for you. If you are not investing through a tax-advantaged retirement account, you should consider these tax consequences.

Distributions you receive from each fund are subject to federal income tax, and may also be subject to state or local taxes.

For federal tax purposes, certain of each fund's distributions, including dividends and distributions of short-term capital gains, are taxable to you as ordinary income, while certain of each fund's distributions, including distributions of long-term capital gains, if any, are taxable to you generally as capital gains. Because each fund's income is primarily derived from interest, dividends from each fund generally will not qualify for the long-term capital gains tax rates available to individuals.

Any taxable distributions you receive from a fund will normally be taxable to you when you receive them, regardless of your distribution option. If you elect to receive distributions in cash or to invest distributions automatically in shares of another Fidelity fund, you will receive certain December distributions in January, but those distributions will be taxable as if you received them on December 31.

# Fund Services

## Fund Management

Each fund is a mutual fund, an investment that pools shareholders' money and invests it toward a specified goal.

FMR is each fund's manager. The address of FMR and its affiliates, unless otherwise indicated below, is 82 Devonshire Street, Boston, Massachusetts 02109.

As of December 31, 2006, FMR had approximately \$1.6 billion in discretionary assets under management.

As the manager, FMR has overall responsibility for directing each fund's investments and handling its business affairs.

Fidelity Investments Money Management, Inc. (FIMM), at One Spartan Way, Merrimack, New Hampshire 03054, serves as a sub-adviser for each fund. FIMM has day-to-day responsibility for choosing investments for each fund.

FIMM is an affiliate of FMR. As of December 31, 2006, FIMM had approximately \$370.3 billion in discretionary assets under management.

Fidelity Research & Analysis Company (FRAC), an affiliate of FMR, was organized in 1986 to provide investment research and advice. FRAC serves as a sub-adviser for each fund and may provide investment research and advice for the funds.

Affiliates assist FMR with foreign investments:

- Fidelity International Investment Advisors (FIIA), at Pembroke Hall, 42 Crow Lane, Pembroke HM19, Bermuda, serves as a sub-adviser for each fund. As of June 30, 2007, FIIA had approximately \$26.8 billion in discretionary assets under management. For each fund, FIIA may provide investment research and advice on issuers based outside the United States, and in particular, will make minimal credit risk and comparable quality determinations for foreign issuers that issue U.S. dollar-denominated securities.
- Fidelity International Investment Advisors (U.K.) Limited (FIIA(U.K.))L, at 25 Cannon Street, London, EC4M 5TA, England, serves as a sub-adviser for each fund. As of June 30, 2007, FIIA(U.K.))L had approximately \$13.4 billion in discretionary assets under management. For each fund, FIIA(U.K.))L may provide investment research and advice on issuers based outside the United States, and in particular, will make minimal credit risk and comparable quality determinations for foreign issuers that issue U.S. dollar-denominated securities.

From time to time a manager, analyst, or other Fidelity employee may express views regarding a particular company, security, industry, or market sector. The views expressed by any such person are the views of only that individual as of the time expressed and do not necessarily represent the views of Fidelity or any other person in the Fidelity organization. Any such views are subject to change at any time based upon market or other conditions and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Fidelity fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Fidelity fund.

Each fund pays a management fee to FMR. The management fee is calculated and paid to FMR every month.

The monthly management fee for each fund is calculated by adding a group fee to an income-related fee. The income-related fee varies depending on the level of the fund's monthly gross income from an annualized rate of 0.05% (at a fund annualized gross yield of 0%) to 0.27% (at a fund annualized gross yield of 15%) of the fund's average net assets throughout the month. The group fee rate is divided by twelve and multiplied by the fund's average net assets throughout the month.

The group fee rate is based on the average net assets of all the mutual funds advised by FMR. This rate cannot rise above 0.37%, and it drops as total assets under management increase.

For November 2007, the group fee rate was 0.11%.

The total management fee for the fiscal year ended November 30, 2007, was 0.23% of the fund's average net assets for U.S. Government Reserves and 0.23% of the fund's average net assets for Cash Reserves.

FMR pays FIMM for providing sub-advisory services. FMR and its affiliates pay FRAC for providing sub-advisory services. FIMM pays FIIA for providing sub-advisory services, and FIIA in turn pays FIIA(U.K.))L.

The basis for the Board of Trustees approving the management contract and sub-advisory agreements for each fund is available in each fund's annual report for the fiscal period ended November 30, 2007.

FMR may, from time to time, agree to reimburse a fund for management fees and other expenses above a specified limit. FMR retains the ability to be repaid by a fund if expenses fall below the specified limit prior to the end of the fiscal year. Reimbursement arrangements, which may be discontinued by FMR at any time, can decrease a fund's expenses and boost its performance.

## Fund Distribution

Fidelity Distributors Corporation (FDC) distributes each fund's shares.

Intermediaries, including retirement plan sponsors, administrators, and service-providers (who may be affiliated with FMR or FDC), may receive from FMR, FDC, and/or their affiliates compensation for providing recordkeeping and administrative services, as well as other retirement plan expenses, and compensation for services intended to result in the sale of shares of the fund. These payments are described in more detail on the following pages and in the statement of additional information (SAI).

Each fund has adopted a Distribution and Service Plan pursuant to Rule 12b-1 under the Investment Company Act of 1940 (1940 Act) with respect to its shares that recognizes that FMR may use its management fee revenues, as well as its past profits or its resources from any other source, to pay FDC for expenses incurred in connection with providing services intended to result in the sale of shares of each fund and/or shareholder support services. FMR,

## **Fund Services – continued**

directly or through FDC, may pay significant amounts to intermediaries, including retirement plan sponsors, service-providers, and administrators, that provide those services. Currently, the Board of Trustees of each fund has authorized such payments for shares of each fund.

If payments made by FMR to FDC or to intermediaries under a Distribution and Service Plan were considered to be paid out of a fund's assets on an ongoing basis, they might increase the cost of your investment and might cost you more than paying other types of sales charges.

From time to time, FDC may offer special promotional programs to investors who purchase shares of Fidelity funds. For example, FDC may offer merchandise, discounts, vouchers, or similar items to investors who purchase shares of certain Fidelity funds during certain periods. To determine if you qualify for any such programs, contact Fidelity or visit our web site at [www.fidelity.com](http://www.fidelity.com).

No dealer, sales representative, or any other person has been authorized to give any information or to make any representations, other than those contained in this prospectus and in the related SAI, in connection with the offer contained in this prospectus. If given or made, such other information or representations must not be relied upon as having been authorized by the funds or FDC. This prospectus and the related SAI do not constitute an offer by the funds or by FDC to sell shares of the funds to or to buy shares of the funds from any person to whom it is unlawful to make such offer.

# Appendix

## Financial Highlights

The financial highlights tables are intended to help you understand the financial history of each fund's shares for the past 5 years. Certain information reflects financial results for a single share of a fund. The total returns in the table represent the rate that an investor would have earned (or lost) on an investment in shares of a fund

(assuming reinvestment of all dividends and distributions). This information has been audited by PricewaterhouseCoopers LLP, independent registered public accounting firm, whose reports, along with each fund's financial highlights and financial statements, are included in each fund's annual report. A free copy of each annual report is available upon request.

<b>U.S. Government Reserves</b>					
Years ended November 30,	2007	2006	2005	2004	2003
<b>Selected Per-Share Data</b>					
Net asset value, beginning of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Income from Investment Operations					
Net investment income	.049	.046	.027	.010	.009
Distributions from net investment income	(.049)	(.046)	(.027)	(.010)	(.009)
Net asset value, end of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
<b>Total Return<sup>A</sup></b>	5.02%	4.67%	2.76%	1.00%	.94%
<b>Ratios to Average Net Assets<sup>B</sup></b>					
Expenses before reductions	.37%	.38%	.35%	.35%	.35%
Expenses net of fee waivers, if any	.37%	.38%	.35%	.35%	.35%
Expenses net of all reductions	.36%	.37%	.35%	.35%	.35%
Net investment income	4.90%	4.61%	2.74%	1.01%	.94%
<b>Supplemental Data</b>					
Net assets, end of period (in millions)	\$ 3,472	\$ 3,233	\$ 2,530	\$ 2,277	\$ 2,262

<sup>A</sup> Total returns would have been lower had certain expenses not been reduced during the periods shown.

<sup>B</sup> Expense ratios reflect operating expenses of the Fund. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or expense offset arrangements and do not represent the amount paid by the Fund during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the Fund.

<b>Cash Reserves</b>					
Years ended November 30,	2007	2006	2005	2004	2003
<b>Selected Per-Share Data</b>					
Net asset value, beginning of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
Income from Investment Operations					
Net investment income	.050	.046	.027	.010	.009
Distributions from net investment income	(.050)	(.046)	(.027)	(.010)	(.009)
Net asset value, end of period	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00	\$ 1.00
<b>Total Return<sup>A</sup></b>	5.08%	4.66%	2.75%	.98%	.93%
<b>Ratios to Average Net Assets<sup>B</sup></b>					
Expenses before reductions	.43%	.45%	.43%	.42%	.40%
Expenses net of fee waivers, if any	.43%	.45%	.43%	.42%	.40%
Expenses net of all reductions	.43%	.45%	.43%	.42%	.40%
Net investment income	4.97%	4.60%	2.74%	.98%	.93%
<b>Supplemental Data</b>					
Net assets, end of period (in millions)	\$ 110,363	\$ 87,413	\$ 64,104	\$ 56,298	\$ 54,780

<sup>A</sup> Total returns would have been lower had certain expenses not been reduced during the periods shown.

<sup>B</sup> Expense ratios reflect operating expenses of the Fund. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or expense offset arrangements and do not represent the amount paid by the Fund during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the Fund.

#### IMPORTANT INFORMATION ABOUT OPENING A NEW ACCOUNT

To help the government fight the funding of terrorism and money laundering activities, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT ACT), requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account.

**For individual investors opening an account:** When you open an account, you will be asked for your name, address, date of birth, and other information that will allow Fidelity to identify you. You may also be asked to provide documents that may help to establish your identity, such as your driver's license.

**For investors other than individuals:** When you open an account, you will be asked for the name of the entity, its principal place of business and taxpayer identification number (TIN) and may be requested to provide information on persons with authority or control over the account such as name, residential address, date of birth and social security number. You may also be asked to provide documents, such as drivers' licenses, articles of incorporation, trust instruments or partnership agreements and other information that will help Fidelity identify the entity.

You can obtain additional information about the funds. A description of each fund's policies and procedures for disclosing its holdings is available in the funds' SAI and on Fidelity's web sites. The SAI also includes more detailed information about each fund and its investments. The SAI is incorporated herein by reference (legally forms a part of the prospectus). Each fund's annual and semi-annual reports also include additional information.

For a free copy of any of these documents or to request other information or ask questions about a fund, call Fidelity at 1-800-544-8544. In addition, you may visit Fidelity's web site at [www.fidelity.com](http://www.fidelity.com) for a free copy of a prospectus, SAI, or annual or semi-annual report or to request other information.

The SAI, the funds' annual and semi-annual reports and other related materials are available from the Electronic Data Gathering, Analysis, and Retrieval (EDGAR) Database on the SEC's web site (<http://www.sec.gov>). You can obtain copies of this information, after paying a duplicating fee, by sending a request by e-mail to [publicinfo@sec.gov](mailto:publicinfo@sec.gov) or by writing the Public Reference Section of the SEC, Washington, D.C. 20549-0102. You can also review and copy information about the funds, including the funds' SAI, at the SEC's Public Reference Room in Washington, D.C. Call 1-202-551-8090 for information on the operation of the SEC's Public Reference Room.

*Investment Company Act of 1940, File Number, 811-02890*

FDC is a member of the Securities Investor Protection Corporation (SIPC). You may obtain information about SIPC, including the SIPC brochure, by visiting [www.sipc.org](http://www.sipc.org) or calling SIPC at 202-371-8300.

Fidelity, Fidelity Investments & (Pyramid) Design, FAST, and Directed Dividends are registered trademarks of FMR LLC.

Portfolio Advisory Services is a service mark of FMR LLC.

The third party marks appearing above are the marks of their respective owners.



# Supplement to the Fidelity Freedom Funds® May 29, 2008 Prospectus

*Strategic Advisers may modify the target asset allocation strategy for any Freedom Fund and modify the selection of underlying Fidelity funds for any Freedom Fund from time to time.*

*Fidelity Series All-Sector Equity Fund and Fidelity Series Large Cap Value Fund have been added to the selection of underlying domestic equity Fidelity funds, Fidelity Series Emerging Markets Fund has been added to the selection of underlying international equity Fidelity funds, and Fidelity Series Investment Grade Bond Fund has been added to the selection of underlying investment-grade fixed-income Fidelity funds in which a Freedom Fund may invest. In connection with these additions, as they become available, each Freedom Fund is expected to cease its investment in certain underlying funds over time, including Fidelity Mid-Cap Stock Fund, Fidelity OTC Portfolio, Fidelity Value Fund, Fidelity Total Bond Fund, Fidelity Government Income Fund, Fidelity Intermediate Bond Fund, and Fidelity Investment Grade Bond Fund.*

The following disclosure supplements the similar disclosure found in the "Investment Details" section under the heading "Domestic Equity Funds" beginning on page 25.

**Series All-Sector Equity Fund** seeks capital appreciation.

FMR normally invests the fund's assets primarily in common stocks.

FMR normally invests at least 80% of the fund's assets in equity securities.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

FMR allocates the fund's assets to provide exposure to different sectors of the market. At present, these sectors include consumer discretionary, consumer staples, energy, financials, health care, industrials, information technology, materials, telecom services, and utilities.

FMR expects the fund's investments in each sector will approximate the sector weightings of the S&P 500. While FMR may overweight or underweight one or more sectors from time to time, FMR expects the returns of the fund to be driven primarily by the security selections of the managers of each sector.

FMR is not constrained by any particular investment style for the fund. At any given time, the fund may buy "growth" stocks or "value" stocks, or a combination of both. In buying and selling securities for the fund, FMR relies on fundamental analysis, which involves a bottom-up assessment of a company's potential for success in light of factors including its current financial condition, earnings outlook, strategy, management, industry position, and economic and market conditions.

In addition to the principal investment strategies discussed above, FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

**Series Large Cap Value Fund** seeks long-term growth of capital.

FMR normally invests the fund's assets primarily in common stocks.

FMR normally invests at least 80% of the fund's assets in securities of companies with large market capitalizations. Although a universal definition of large market capitalization companies does not exist, for purposes of this fund, FMR generally defines large market capitalization companies as those whose market capitalization is similar to the market capitalization of companies in the Russell 1000 Index or the S&P 500. A company's market capitalization is based on its current market capitalization or its market capitalization at the time of the fund's investment. The size of the companies in each index changes with market conditions and the composition of the index.

FMR invests in companies that it believes are undervalued in the marketplace in relation to factors such as the company's assets, sales, earnings, growth potential, or cash flow, or in relation to securities of other companies in the same industry. Companies with these characteristics tend to have lower than average price/book (P/B), price/sales (P/S), or price/earnings (P/E) ratios. The stocks of these companies are often called "value" stocks.

FMR uses the Russell 1000 Value Index as a guide in structuring the fund and selecting its investments. FMR considers the fund's security, industry, and market capitalization weightings relative to the index.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

In buying and selling securities for the fund, FMR uses a disciplined approach that involves both quantitative and fundamental analysis. Quantitative analysis refers to programmatic models that analyze such factors as growth potential, valuation, liquidity, and investment risk based on data inputs. Fundamental analysis involves a bottom-up assessment of a company's potential for success in light of factors including its financial condition, earnings outlook, strategy, management, industry position, and economic and market conditions.

In addition to the principal investment strategies discussed above, FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

The following disclosure supplements the similar disclosure found in the "Investment Details" section under the heading "International Equity Funds" beginning on page 29.

**Series Emerging Markets Fund** seeks capital appreciation.

Fidelity Management & Research Company (FMR) normally invests at least 80% of the fund's assets in securities of issuers in emerging markets and other investments that are tied economically to emerging markets. Emerging markets include countries that have an emerging stock market as defined by S&P, countries or markets with low- to middle-income economies as classified by the World Bank, and other countries or markets with similar emerging characteristics. For example, countries in the MSCI Emerging Markets (MSCI EM) Index and Hong Kong are considered to be emerging. Emerging markets tend to have relatively low gross national product per capita compared to the world's major economies and may have the potential for rapid economic growth. FMR normally invests the fund's assets primarily in common stocks.

FMR normally allocates the fund's investments across different emerging market countries.

In buying and selling securities for the fund, FMR relies on fundamental analysis, which involves a bottom-up assessment of a company's potential for success in light of factors including its financial condition, earnings outlook, strategy, management, industry position, and economic and market conditions.

In addition to the principal investment strategies discussed above, FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

The following disclosure supplements the similar disclosure found in the "Investment Details" section under the heading "Investment-Grade Fixed-Income Funds" beginning on page 30.

**Series Investment Grade Bond Fund** seeks a high level of current income.

Fidelity Management & Research Company (FMR) normally invests at least 80% of the fund's assets in investment-grade debt securities (those of medium and high quality) of all types and repurchase agreements for those securities.

FMR uses the Lehman Brothers U.S. Aggregate Index as a guide in structuring the fund and selecting its investments. FMR manages the fund to have similar overall interest rate risk to the index.

FMR considers other factors when selecting the fund's investments, including the credit quality of the issuer, security-specific features, current valuation relative to alternatives in the market, short-term trading opportunities resulting from market inefficiencies, and potential future valuation. In managing the fund's exposure to various risks, including interest rate risk, FMR considers, among other things, the market's overall risk characteristics, the

market's current pricing of those risks, information on the fund's competitive universe and internal views of potential future market conditions.

FMR allocates the fund's assets among different market sectors (for example, corporate, asset-backed, or government securities) and different maturities based on its view of the relative value of each sector or maturity.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

FMR may engage in transactions that have a leveraging effect on the fund, including investments in derivatives, regardless of whether the fund may own the asset, instrument or components of the index underlying the derivative, and forward-settling securities. FMR may invest a significant portion of the fund's assets in these types of investments.

FMR may also invest up to 10% of the fund's assets in lower-quality debt securities.

To earn additional income for the fund, FMR may use a trading strategy that involves selling (or buying) mortgage securities and simultaneously agreeing to purchase (or sell) mortgage securities on a later date at a set price. This trading strategy may increase interest rate exposure and result in an increased turnover of the fund's portfolio which increases transaction costs and may increase taxable gains.

FMR uses central funds to help invest the fund's assets. Central funds are specialized investment vehicles managed by FMR affiliates that are designed to be used by Fidelity funds. Fidelity uses them to invest in particular security types or investment disciplines; for example, rather than buying bonds directly the fund might invest in a central fund that buys bonds. Fidelity does not charge any additional management fees for central funds. Central funds offer exposure to some or all of the following types of investment-grade and lower-quality debt securities: corporate bonds, mortgage and other asset-backed securities, floating rate loans, and BB-rated securities. Central funds may also focus on other types of securities.

If FMR's strategies do not work as intended, the fund may not achieve its objective.

# **Fidelity Freedom Funds<sup>®</sup>**

**Fidelity Freedom Income Fund<sup>®</sup>**  
(fund number 369, trading symbol FFFAX)

**Fidelity Freedom 2000 Fund<sup>®</sup>**  
(fund number 370, trading symbol FFFBX)

**Fidelity Freedom 2005 Fund<sup>®</sup>**  
(fund number 1312, trading symbol FFFVX)

**Fidelity Freedom 2010 Fund<sup>®</sup>**  
(fund number 371, trading symbol FFFCX)

**Fidelity Freedom 2015 Fund<sup>®</sup>**  
(fund number 1313, trading symbol FFFVX)

**Fidelity Freedom 2020 Fund<sup>®</sup>**  
(fund number 372, trading symbol FFFDX)

**Fidelity Freedom 2025 Fund<sup>®</sup>**  
(fund number 1314, trading symbol FFTWX)

**Fidelity Freedom 2030 Fund<sup>®</sup>**  
(fund number 373, trading symbol FFFEX)

**Fidelity Freedom 2035 Fund<sup>®</sup>**  
(fund number 1315, trading symbol FFFHX)

**Fidelity Freedom 2040 Fund<sup>®</sup>**  
(fund number 718, trading symbol FFFFEX)

**Fidelity Freedom 2045 Fund<sup>®</sup>**  
(fund number 1617, trading symbol FFFGX)

**Fidelity Freedom 2050 Fund<sup>®</sup>**  
(fund number 1618, trading symbol FFFHX)

**Prospectus**  
**May 29, 2008**



82 Devonshire Street, Boston, MA 02109

Like securities of all mutual funds, these securities have not been approved or disapproved by the Securities and Exchange Commission, and the Securities and Exchange Commission has not determined if this prospectus is accurate or complete. Any representation to the contrary is a criminal offense.

# Contents

## Fund Summary

**P-3** Investment Summary

**P-12** Performance

**P-19** Fee Table

## Fund Basics

**P-23** Investment Details

**P-36** Valuing Shares

## Shareholder Information

**P-38** Buying and Selling Shares

**P-41** Exchanging Shares

**P-41** Features and Policies

**P-42** Dividends and Capital Gain Distributions

**P-43** Tax Consequences

## Fund Services

**P-44** Fund Management

**P-44** Fund Distribution

## Appendix

**P-45** Financial Highlights

# Fund Summary

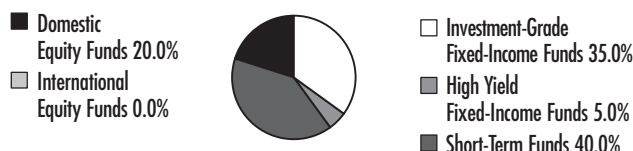
## Investment Summary

### Investment Objective

**Freedom Income Fund** seeks high current income and, as a secondary objective, capital appreciation.

### Principal Investment Strategies

- Investing in a combination of underlying Fidelity equity, fixed-income, and short-term funds using a moderate asset allocation strategy designed for investors already in retirement.
- Allocating assets among underlying Fidelity funds according to a stable target asset allocation of approximately:



### Principal Investment Risks

- Stock Market Volatility.** Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market can react differently to these developments.
- Interest Rate Changes.** Interest rate increases can cause the price of a debt or money market security to decrease.
- Foreign Exposure.** Foreign markets can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market.
- Industry Exposure.** Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single industry or group of related industries.
- Prepayment.** The ability of an issuer of a debt security to repay principal prior to a security's maturity can cause greater price volatility if interest rates change.
- Issuer-Specific Changes.** The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. A decline in the credit quality of an issuer or a provider of credit support or a maturity-shortening structure for a security can cause the price of a money market security to decrease. Lower-quality debt securities (those of less than investment-grade quality, also referred to as high yield debt securities) and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer. The value of lower-quality debt securities and certain types of other securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments.
- Leverage Risk.** Leverage can increase market exposure and magnify investment risks.

- "Growth" Investing.** "Growth" stocks can perform differently from the market as a whole and other types of stocks and can be more volatile than other types of stocks.
- "Value" Investing.** "Value" stocks can perform differently from the market as a whole and other types of stocks and can continue to be undervalued by the market for long periods of time.
- Quantitative Investing.** Securities selected using quantitative analysis can perform differently from the market as a whole as a result of the factors used in the analysis, the weight placed on each factor, and changes in the factors' historical trends.
- Mid Cap Investing.** The value of securities of medium size, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.
- Small Cap Investing.** The value of securities of smaller, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

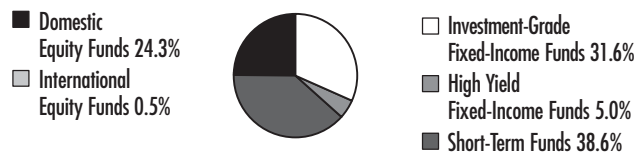
When you sell your shares they may be worth more or less than what you paid for them, which means that you could lose money.

### Investment Objective

**Freedom 2000 Fund** seeks high total return until its target retirement date. Thereafter the fund's objective will be to seek high current income and, as a secondary objective, capital appreciation.

### Principal Investment Strategies

- Investing in a combination of underlying Fidelity equity, fixed-income, and short-term funds using a moderate asset allocation strategy designed for investors expected to have retired around the year 2000.
- Allocating assets among underlying Fidelity funds according to an asset allocation strategy that becomes increasingly conservative until it reaches 20% in domestic equity funds, 35% in investment-grade fixed-income funds, 5% in high yield fixed-income funds, and 40% in short-term funds (approximately 10 to 15 years after the year 2000).
- Using an asset allocation as of March 31, 2008 of approximately:



### Principal Investment Risks

- Stock Market Volatility.** Stock markets are volatile and can decline significantly in response to adverse issuer, political,



## Fund Summary – continued

regulatory, market, or economic developments. Different parts of the market can react differently to these developments.

- **Interest Rate Changes.** Interest rate increases can cause the price of a debt or money market security to decrease.
- **Foreign Exposure.** Foreign markets can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market.
- **Industry Exposure.** Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single industry or group of related industries.
- **Prepayment.** The ability of an issuer of a debt security to repay principal prior to a security's maturity can cause greater price volatility if interest rates change.
- **Issuer-Specific Changes.** The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. A decline in the credit quality of an issuer or a provider of credit support or a maturity-shortening structure for a security can cause the price of a money market security to decrease. Lower-quality debt securities (those of less than investment-grade quality, also referred to as high yield debt securities) and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer. The value of lower-quality debt securities and certain types of other securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments.
- **Leverage Risk.** Leverage can increase market exposure and magnify investment risks.
- **"Growth" Investing.** "Growth" stocks can perform differently from the market as a whole and other types of stocks and can be more volatile than other types of stocks.
- **"Value" Investing.** "Value" stocks can perform differently from the market as a whole and other types of stocks and can continue to be undervalued by the market for long periods of time.
- **Quantitative Investing.** Securities selected using quantitative analysis can perform differently from the market as a whole as a result of the factors used in the analysis, the weight placed on each factor, and changes in the factors' historical trends.
- **Mid Cap Investing.** The value of securities of medium size, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.
- **Small Cap Investing.** The value of securities of smaller, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

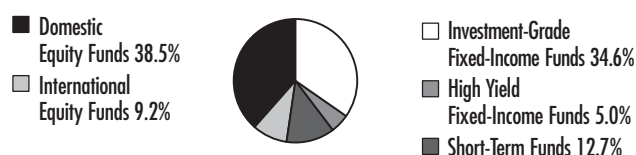
When you sell your shares they may be worth more or less than what you paid for them, which means that you could lose money.

### Investment Objective

**Freedom 2005 Fund** seeks high total return until its target retirement date. Thereafter the fund's objective will be to seek high current income and, as a secondary objective, capital appreciation.

### Principal Investment Strategies

- Investing in a combination of underlying Fidelity equity, fixed-income, and short-term funds using a moderate asset allocation strategy designed for investors expected to have retired around the year 2005.
- Allocating assets among underlying Fidelity funds according to an asset allocation strategy that becomes increasingly conservative until it reaches 20% in domestic equity funds, 35% in investment-grade fixed-income funds, 5% in high yield fixed-income funds, and 40% in short-term funds (approximately 10 to 15 years after the year 2005).
- Using an asset allocation as of March 31, 2008 of approximately:



### Principal Investment Risks

- **Stock Market Volatility.** Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market can react differently to these developments.
- **Interest Rate Changes.** Interest rate increases can cause the price of a debt or money market security to decrease.
- **Foreign Exposure.** Foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market.
- **Industry Exposure.** Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single industry or group of related industries.
- **Prepayment.** The ability of an issuer of a debt security to repay principal prior to a security's maturity can cause greater price volatility if interest rates change.
- **Issuer-Specific Changes.** The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. Lower-quality debt securities (those of less than investment-grade quality, also referred to as high yield debt securities) and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer.



The value of lower-quality debt securities and certain types of other securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments and can be difficult to resell.

- **Leverage Risk.** Leverage can increase market exposure and magnify investment risks.
- **"Growth" Investing.** "Growth" stocks can perform differently from the market as a whole and other types of stocks and can be more volatile than other types of stocks.
- **"Value" Investing.** "Value" stocks can perform differently from the market as a whole and other types of stocks and can continue to be undervalued by the market for long periods of time.
- **Quantitative Investing.** Securities selected using quantitative analysis can perform differently from the market as a whole as a result of the factors used in the analysis, the weight placed on each factor, and changes in the factors' historical trends.
- **Mid Cap Investing.** The value of securities of medium size, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.
- **Small Cap Investing.** The value of securities of smaller, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

When you sell your shares they may be worth more or less than what you paid for them, which means that you could lose money.

### Investment Objective

**Freedom 2010 Fund** seeks high total return until its target retirement date. Thereafter the fund's objective will be to seek high current income and, as a secondary objective, capital appreciation.

### Principal Investment Strategies

- Investing in a combination of underlying Fidelity equity, fixed-income, and short-term funds using a moderate asset allocation strategy designed for investors expecting to retire around the year 2010.
- Allocating assets among underlying Fidelity funds according to an asset allocation strategy that becomes increasingly conservative until it reaches 20% in domestic equity funds, 35% in investment-grade fixed-income funds, 5% in high yield fixed-income funds, and 40% in short-term funds (approximately 10 to 15 years after the year 2010).

- Using an asset allocation as of March 31, 2008 of approximately:



### Principal Investment Risks

- **Stock Market Volatility.** Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market can react differently to these developments.
- **Interest Rate Changes.** Interest rate increases can cause the price of a debt or money market security to decrease.
- **Foreign Exposure.** Foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market. Emerging markets can be subject to greater social, economic, regulatory, and political uncertainties and can be extremely volatile.
- **Geographic Exposure.** Social, political, and economic conditions and changes in regulatory, tax, or economic policy in a country could significantly affect the market in that country and in surrounding or related countries.
- **Industry Exposure.** Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single industry or group of related industries.
- **Prepayment.** The ability of an issuer of a debt security to repay principal prior to a security's maturity can cause greater price volatility if interest rates change.
- **Issuer-Specific Changes.** The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. Lower-quality debt securities (those of less than investment-grade quality, also referred to as high yield debt securities) and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer. The value of lower-quality debt securities and certain types of other securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments and can be difficult to resell.
- **Leverage Risk.** Leverage can increase market exposure and magnify investment risks.
- **"Growth" Investing.** "Growth" stocks can perform differently from the market as a whole and other types of stocks and can be more volatile than other types of stocks.
- **"Value" Investing.** "Value" stocks can perform differently from the market as a whole and other types of stocks and can continue to be undervalued by the market for long periods of time.

## Fund Summary – continued

- **Quantitative Investing.** Securities selected using quantitative analysis can perform differently from the market as a whole as a result of the factors used in the analysis, the weight placed on each factor, and changes in the factors' historical trends.

- **Mid Cap Investing.** The value of securities of medium size, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

- **Small Cap Investing.** The value of securities of smaller, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

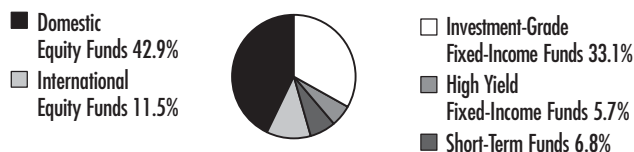
When you sell your shares they may be worth more or less than what you paid for them, which means that you could lose money.

### Investment Objective

**Freedom 2015 Fund** seeks high total return until its target retirement date. Thereafter the fund's objective will be to seek high current income and, as a secondary objective, capital appreciation.

### Principal Investment Strategies

- Investing in a combination of underlying Fidelity equity, fixed-income, and short-term funds using a moderate asset allocation strategy designed for investors expecting to retire around the year 2015.
- Allocating assets among underlying Fidelity funds according to an asset allocation strategy that becomes increasingly conservative until it reaches 20% in domestic equity funds, 35% in investment-grade fixed-income funds, 5% in high yield fixed-income funds, and 40% in short-term funds (approximately 10 to 15 years after the year 2015).
- Using an asset allocation as of March 31, 2008 of approximately:



### Principal Investment Risks

- **Stock Market Volatility.** Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market can react differently to these developments.
- **Interest Rate Changes.** Interest rate increases can cause the price of a debt or money market security to decrease.

- **Foreign Exposure.** Foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market. Emerging markets can be subject to greater social, economic, regulatory, and political uncertainties and can be extremely volatile.

- **Geographic Exposure.** Social, political, and economic conditions and changes in regulatory, tax, or economic policy in a country could significantly affect the market in that country and in surrounding or related countries.

- **Industry Exposure.** Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single industry or group of related industries.

- **Prepayment.** The ability of an issuer of a debt security to repay principal prior to a security's maturity can cause greater price volatility if interest rates change.

- **Issuer-Specific Changes.** The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. Lower-quality debt securities (those of less than investment-grade quality, also referred to as high yield debt securities) and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer. The value of lower-quality debt securities and certain types of other securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments and can be difficult to resell.

- **Leverage Risk.** Leverage can increase market exposure and magnify investment risks.

- **"Growth" Investing.** "Growth" stocks can perform differently from the market as a whole and other types of stocks and can be more volatile than other types of stocks.

- **"Value" Investing.** "Value" stocks can perform differently from the market as a whole and other types of stocks and can continue to be undervalued by the market for long periods of time.

- **Quantitative Investing.** Securities selected using quantitative analysis can perform differently from the market as a whole as a result of the factors used in the analysis, the weight placed on each factor, and changes in the factors' historical trends.

- **Mid Cap Investing.** The value of securities of medium size, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

- **Small Cap Investing.** The value of securities of smaller, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

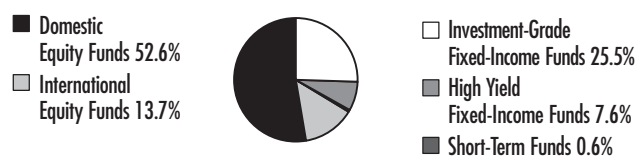
When you sell your shares they may be worth more or less than what you paid for them, which means that you could lose money.

### Investment Objective

**Freedom 2020 Fund** seeks high total return until its target retirement date. Thereafter the fund's objective will be to seek high current income and, as a secondary objective, capital appreciation.

### Principal Investment Strategies

- Investing in a combination of underlying Fidelity equity, fixed-income, and short-term funds using a moderate asset allocation strategy designed for investors expecting to retire around the year 2020.
- Allocating assets among underlying Fidelity funds according to an asset allocation strategy that becomes increasingly conservative until it reaches 20% in domestic equity funds, 35% in investment-grade fixed-income funds, 5% in high yield fixed-income funds, and 40% in short-term funds (approximately 10 to 15 years after the year 2020).
- Using an asset allocation as of March 31, 2008 of approximately:



### Principal Investment Risks

- Stock Market Volatility.** Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market can react differently to these developments.
- Interest Rate Changes.** Interest rate increases can cause the price of a debt or money market security to decrease.
- Foreign Exposure.** Foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market. Emerging markets can be subject to greater social, economic, regulatory, and political uncertainties and can be extremely volatile.
- Geographic Exposure.** Social, political, and economic conditions and changes in regulatory, tax, or economic policy in a country could significantly affect the market in that country and in surrounding or related countries.
- Industry Exposure.** Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single industry or group of related industries.

- Prepayment.** The ability of an issuer of a debt security to repay principal prior to a security's maturity can cause greater price volatility if interest rates change.

- Issuer-Specific Changes.** The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. Lower-quality debt securities (those of less than investment-grade quality, also referred to as high yield debt securities) and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer. The value of lower-quality debt securities and certain types of other securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments and can be difficult to resell.

- Leverage Risk.** Leverage can increase market exposure and magnify investment risks.

- "Growth" Investing.** "Growth" stocks can perform differently from the market as a whole and other types of stocks and can be more volatile than other types of stocks.

- "Value" Investing.** "Value" stocks can perform differently from the market as a whole and other types of stocks and can continue to be undervalued by the market for long periods of time.

- Quantitative Investing.** Securities selected using quantitative analysis can perform differently from the market as a whole as a result of the factors used in the analysis, the weight placed on each factor, and changes in the factors' historical trends.

- Mid Cap Investing.** The value of securities of medium size, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

- Small Cap Investing.** The value of securities of smaller, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

When you sell your shares they may be worth more or less than what you paid for them, which means that you could lose money.

### Investment Objective

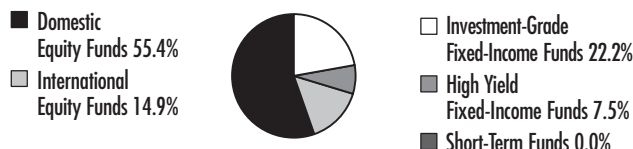
**Freedom 2025 Fund** seeks high total return until its target retirement date. Thereafter the fund's objective will be to seek high current income and, as a secondary objective, capital appreciation.

### Principal Investment Strategies

- Investing in a combination of underlying Fidelity equity, fixed-income, and short-term funds using a moderate asset allocation strategy designed for investors expecting to retire around the year 2025.

## Fund Summary – continued

- Allocating assets among underlying Fidelity funds according to an asset allocation strategy that becomes increasingly conservative until it reaches 20% in domestic equity funds, 35% in investment-grade fixed-income funds, 5% in high yield fixed-income funds, and 40% in short-term funds (approximately 10 to 15 years after the year 2025).
- Using an asset allocation as of March 31, 2008 of approximately:



### Principal Investment Risks

- **Stock Market Volatility.** Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market can react differently to these developments.
- **Interest Rate Changes.** Interest rate increases can cause the price of a debt security to decrease.
- **Foreign Exposure.** Foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market. Emerging markets can be subject to greater social, economic, regulatory, and political uncertainties and can be extremely volatile.
- **Geographic Exposure.** Social, political, and economic conditions and changes in regulatory, tax, or economic policy in a country could significantly affect the market in that country and in surrounding or related countries.
- **Industry Exposure.** Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single industry or group of related industries.
- **Prepayment.** The ability of an issuer of a debt security to repay principal prior to a security's maturity can cause greater price volatility if interest rates change.
- **Issuer-Specific Changes.** The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. Lower-quality debt securities (those of less than investment-grade quality, also referred to as high yield debt securities) and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer. The value of lower-quality debt securities and certain types of other securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments and can be difficult to resell.
- **Leverage Risk.** Leverage can increase market exposure and magnify investment risks.

- **"Growth" Investing.** "Growth" stocks can perform differently from the market as a whole and other types of stocks and can be more volatile than other types of stocks.
- **"Value" Investing.** "Value" stocks can perform differently from the market as a whole and other types of stocks and can continue to be undervalued by the market for long periods of time.
- **Quantitative Investing.** Securities selected using quantitative analysis can perform differently from the market as a whole as a result of the factors used in the analysis, the weight placed on each factor, and changes in the factors' historical trends.
- **Mid Cap Investing.** The value of securities of medium size, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

- **Small Cap Investing.** The value of securities of smaller, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

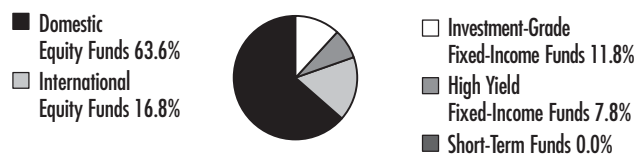
When you sell your shares they may be worth more or less than what you paid for them, which means that you could lose money.

### Investment Objective

**Freedom 2030 Fund** seeks high total return until its target retirement date. Thereafter the fund's objective will be to seek high current income and, as a secondary objective, capital appreciation.

### Principal Investment Strategies

- Investing in a combination of underlying Fidelity equity, fixed-income, and short-term funds using a moderate asset allocation strategy designed for investors expecting to retire around the year 2030.
- Allocating assets among underlying Fidelity funds according to an asset allocation strategy that becomes increasingly conservative until it reaches 20% in domestic equity funds, 35% in investment-grade fixed-income funds, 5% in high yield fixed-income funds, and 40% in short-term funds (approximately 10 to 15 years after the year 2030).
- Using an asset allocation as of March 31, 2008 of approximately:





## Principal Investment Risks

- **Stock Market Volatility.** Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market can react differently to these developments.
- **Interest Rate Changes.** Interest rate increases can cause the price of a debt security to decrease.
- **Foreign Exposure.** Foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market. Emerging markets can be subject to greater social, economic, regulatory, and political uncertainties and can be extremely volatile.
- **Geographic Exposure.** Social, political, and economic conditions and changes in regulatory, tax, or economic policy in a country could significantly affect the market in that country and in surrounding or related countries.
- **Industry Exposure.** Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single industry or group of related industries.
- **Prepayment.** The ability of an issuer of a debt security to repay principal prior to a security's maturity can cause greater price volatility if interest rates change.
- **Issuer-Specific Changes.** The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. Lower-quality debt securities (those of less than investment-grade quality, also referred to as high yield debt securities) and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer. The value of lower-quality debt securities and certain types of other securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments and can be difficult to resell.
- **Leverage Risk.** Leverage can increase market exposure and magnify investment risks.
- **"Growth" Investing.** "Growth" stocks can perform differently from the market as a whole and other types of stocks and can be more volatile than other types of stocks.
- **"Value" Investing.** "Value" stocks can perform differently from the market as a whole and other types of stocks and can continue to be undervalued by the market for long periods of time.
- **Quantitative Investing.** Securities selected using quantitative analysis can perform differently from the market as a whole as a result of the factors used in the analysis, the weight placed on each factor, and changes in the factors' historical trends.
- **Mid Cap Investing.** The value of securities of medium size, less well-known issuers can perform differently from the market as a

whole and other types of stocks and can be more volatile than that of larger issuers.

- **Small Cap Investing.** The value of securities of smaller, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

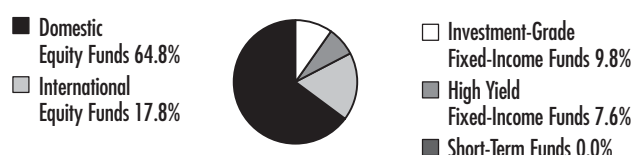
When you sell your shares they may be worth more or less than what you paid for them, which means that you could lose money.

## Investment Objective

**Freedom 2035 Fund** seeks high total return until its target retirement date. Thereafter the fund's objective will be to seek high current income and, as a secondary objective, capital appreciation.

## Principal Investment Strategies

- Investing in a combination of underlying Fidelity equity, fixed-income, and short-term funds using a moderate asset allocation strategy designed for investors expecting to retire around the year 2035.
- Allocating assets among underlying Fidelity funds according to an asset allocation strategy that becomes increasingly conservative until it reaches 20% in domestic equity funds, 35% in investment-grade fixed-income funds, 5% in high yield fixed-income funds, and 40% in short-term funds (approximately 10 to 15 years after the year 2035).
- Using an asset allocation as of March 31, 2008 of approximately:



## Principal Investment Risks

- **Stock Market Volatility.** Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market can react differently to these developments.
- **Interest Rate Changes.** Interest rate increases can cause the price of a debt security to decrease.
- **Foreign Exposure.** Foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market. Emerging markets can be subject to greater social, economic, regulatory, and political uncertainties and can be extremely volatile.

## Fund Summary – continued

- **Geographic Exposure.** Social, political, and economic conditions and changes in regulatory, tax, or economic policy in a country could significantly affect the market in that country and in surrounding or related countries.

- **Industry Exposure.** Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single industry or group of related industries.

- **Issuer-Specific Changes.** The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. Lower-quality debt securities (those of less than investment-grade quality, also referred to as high yield debt securities) and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer. The value of lower-quality debt securities and certain types of other securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments and can be difficult to resell.

- **“Growth” Investing.** “Growth” stocks can perform differently from the market as a whole and other types of stocks and can be more volatile than other types of stocks.

- **“Value” Investing.** “Value” stocks can perform differently from the market as a whole and other types of stocks and can continue to be undervalued by the market for long periods of time.

- **Quantitative Investing.** Securities selected using quantitative analysis can perform differently from the market as a whole as a result of the factors used in the analysis, the weight placed on each factor, and changes in the factors’ historical trends.

- **Mid Cap Investing.** The value of securities of medium size, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

- **Small Cap Investing.** The value of securities of smaller, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

When you sell your shares they may be worth more or less than what you paid for them, which means that you could lose money.

### Investment Objective

**Freedom 2040 Fund** seeks high total return until its target retirement date. Thereafter the fund’s objective will be to seek high current income and, as a secondary objective, capital appreciation.

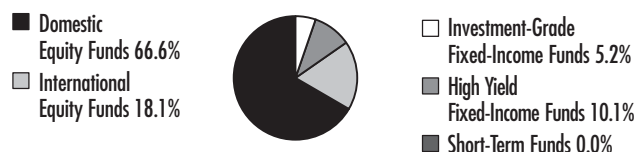
### Principal Investment Strategies

- Investing in a combination of underlying Fidelity equity, fixed-income, and short-term funds using a moderate asset allocation

strategy designed for investors expecting to retire around the year 2040.

- Allocating assets among underlying Fidelity funds according to an asset allocation strategy that becomes increasingly conservative until it reaches 20% in domestic equity funds, 35% in investment-grade fixed-income funds, 5% in high yield fixed-income funds, and 40% in short-term funds (approximately 10 to 15 years after the year 2040).

- Using an asset allocation as of March 31, 2008 of approximately:



### Principal Investment Risks

- **Stock Market Volatility.** Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market can react differently to these developments.

- **Interest Rate Changes.** Interest rate increases can cause the price of a debt security to decrease.

- **Foreign Exposure.** Foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market. Emerging markets can be subject to greater social, economic, regulatory, and political uncertainties and can be extremely volatile.

- **Geographic Exposure.** Social, political, and economic conditions and changes in regulatory, tax, or economic policy in a country could significantly affect the market in that country and in surrounding or related countries.

- **Industry Exposure.** Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single industry or group of related industries.

- **Issuer-Specific Changes.** The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. Lower-quality debt securities (those of less than investment-grade quality, also referred to as high yield debt securities) and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer. The value of lower-quality debt securities and certain types of other securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments and can be difficult to resell.

- **“Growth” Investing.** “Growth” stocks can perform differently from the market as a whole and other types of stocks and can be more volatile than other types of stocks.



- **“Value” Investing.** “Value” stocks can perform differently from the market as a whole and other types of stocks and can continue to be undervalued by the market for long periods of time.
- **Quantitative Investing.** Securities selected using quantitative analysis can perform differently from the market as a whole as a result of the factors used in the analysis, the weight placed on each factor, and changes in the factors’ historical trends.
- **Mid Cap Investing.** The value of securities of medium size, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.
- **Small Cap Investing.** The value of securities of smaller, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

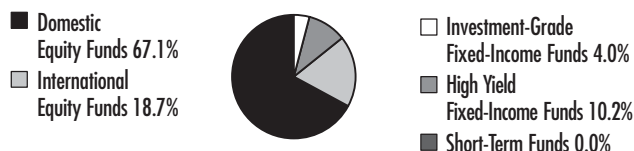
When you sell your shares they may be worth more or less than what you paid for them, which means that you could lose money.

### Investment Objective

**Freedom 2045 Fund** seeks high total return until its target retirement date. Thereafter the fund’s objective will be to seek high current income and, as a secondary objective, capital appreciation.

### Principal Investment Strategies

- Investing in a combination of underlying Fidelity equity, fixed-income, and short-term funds using a moderate asset allocation strategy designed for investors expecting to retire around the year 2045.
- Allocating assets among underlying Fidelity funds according to an asset allocation strategy that becomes increasingly conservative until it reaches 20% in domestic equity funds, 35% in investment-grade fixed-income funds, 5% in high yield fixed-income funds, and 40% in short-term funds (approximately 10 to 15 years after the year 2045).
- Using an asset allocation as of March 31, 2008 of approximately:



### Principal Investment Risks

- **Stock Market Volatility.** Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market can react differently to these developments.

- **Interest Rate Changes.** Interest rate increases can cause the price of a debt security to decrease.
- **Foreign Exposure.** Foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market. Emerging markets can be subject to greater social, economic, regulatory, and political uncertainties and can be extremely volatile.
- **Geographic Exposure.** Social, political, and economic conditions and changes in regulatory, tax, or economic policy in a country could significantly affect the market in that country and in surrounding or related countries.
- **Industry Exposure.** Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single industry or group of related industries.

• **Issuer-Specific Changes.** The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. Lower-quality debt securities (those of less than investment-grade quality, also referred to as high yield debt securities) and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer. The value of lower-quality debt securities and certain types of other securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments and can be difficult to resell.

- **“Growth” Investing.** “Growth” stocks can perform differently from the market as a whole and other types of stocks and can be more volatile than other types of stocks.
- **“Value” Investing.** “Value” stocks can perform differently from the market as a whole and other types of stocks and can continue to be undervalued by the market for long periods of time.
- **Quantitative Investing.** Securities selected using quantitative analysis can perform differently from the market as a whole as a result of the factors used in the analysis, the weight placed on each factor, and changes in the factors’ historical trends.
- **Mid Cap Investing.** The value of securities of medium size, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.
- **Small Cap Investing.** The value of securities of smaller, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

When you sell your shares they may be worth more or less than what you paid for them, which means that you could lose money.

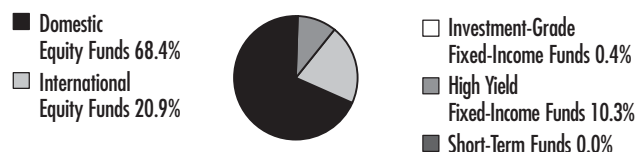
## Fund Summary – continued

### Investment Objective

**Freedom 2050 Fund** seeks high total return until its target retirement date. Thereafter the fund's objective will be to seek high current income and, as a secondary objective, capital appreciation.

### Principal Investment Strategies

- Investing in a combination of underlying Fidelity equity, fixed-income, and short-term funds using a moderate asset allocation strategy designed for investors expecting to retire around the year 2050.
- Allocating assets among underlying Fidelity funds according to an asset allocation strategy that becomes increasingly conservative until it reaches 20% in domestic equity funds, 35% in investment-grade fixed-income funds, 5% in high yield fixed-income funds, and 40% in short-term funds (approximately 10 to 15 years after the year 2050).
- Using an asset allocation as of March 31, 2008 of approximately:



### Principal Investment Risks

- Stock Market Volatility.** Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market can react differently to these developments.
- Interest Rate Changes.** Interest rate increases can cause the price of a debt security to decrease.
- Foreign Exposure.** Foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market, or economic developments and can perform differently from the U.S. market. Emerging markets can be subject to greater social, economic, regulatory, and political uncertainties and can be extremely volatile.
- Geographic Exposure.** Social, political, and economic conditions and changes in regulatory, tax, or economic policy in a country could significantly affect the market in that country and in surrounding or related countries.
- Industry Exposure.** Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single industry or group of related industries.
- Issuer-Specific Changes.** The value of an individual security or particular type of security can be more volatile than the market as a whole and can perform differently from the value of the market as a whole. Lower-quality debt securities (those of less than investment-grade quality, also referred to as high yield debt securities) and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer.

The value of lower-quality debt securities and certain types of other securities can be more volatile due to increased sensitivity to adverse issuer, political, regulatory, market, or economic developments and can be difficult to resell.

- "Growth" Investing.** "Growth" stocks can perform differently from the market as a whole and other types of stocks and can be more volatile than other types of stocks.
- "Value" Investing.** "Value" stocks can perform differently from the market as a whole and other types of stocks and can continue to be undervalued by the market for long periods of time.
- Quantitative Investing.** Securities selected using quantitative analysis can perform differently from the market as a whole as a result of the factors used in the analysis, the weight placed on each factor, and changes in the factors' historical trends.
- Mid Cap Investing.** The value of securities of medium size, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.
- Small Cap Investing.** The value of securities of smaller, less well-known issuers can perform differently from the market as a whole and other types of stocks and can be more volatile than that of larger issuers.

An investment in the fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.

When you sell your shares they may be worth more or less than what you paid for them, which means that you could lose money.

## Performance

The following information is intended to help you understand the risks of investing in each Freedom Fund. The information illustrates Freedom 2045's and Freedom 2050's performance over the past year and the changes in Freedom Income's, Freedom 2000's, Freedom 2005's, Freedom 2010's, Freedom 2015's, Freedom 2020's, Freedom 2025's, Freedom 2030's, Freedom 2035's, and Freedom 2040's performance from year to year and compares each Freedom Fund's performance to the performance of a market index and a combination of market indexes over various periods of time. Returns (before and after taxes) are based on past results and are not an indication of future performance.

## Year-by-Year Returns

### Freedom Income



During the periods shown in the chart for Freedom Income:

Highest Quarter Return

Returns      Quarter ended  
4.92%      December 31, 1998

Lowest Quarter Return

-1.44%      March 31, 2001

Year-to-Date Return

-1.75%      March 31, 2008

### Freedom 2000



During the periods shown in the chart for Freedom 2000:

Highest Quarter Return

Returns      Quarter ended  
8.90%      December 31, 1998

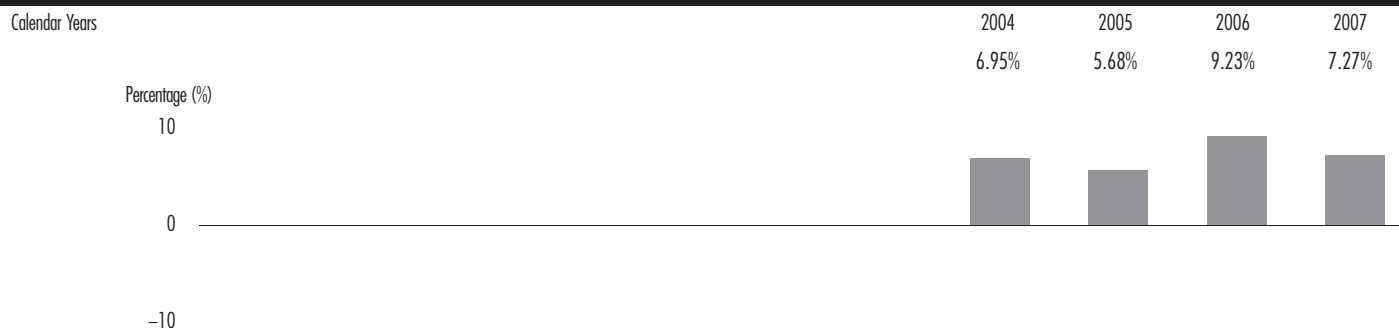
Lowest Quarter Return

-3.40%      September 30, 2001

Year-to-Date Return

-2.34%      March 31, 2008

### Freedom 2005



During the periods shown in the chart for Freedom 2005:

Highest Quarter Return

Returns      Quarter ended  
5.29%      December 31, 2004

Lowest Quarter Return

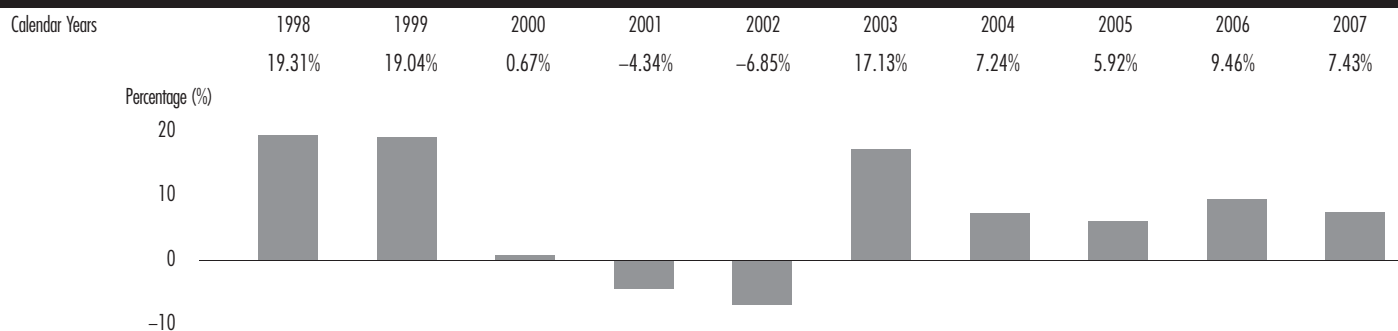
-1.26%      June 30, 2006

Year-to-Date Return

-5.09%      March 31, 2008

## Fund Summary – continued

### Freedom 2010



During the periods shown in the chart for Freedom 2010:

Highest Quarter Return

Returns  
13.50% Quarter ended  
December 31, 1998

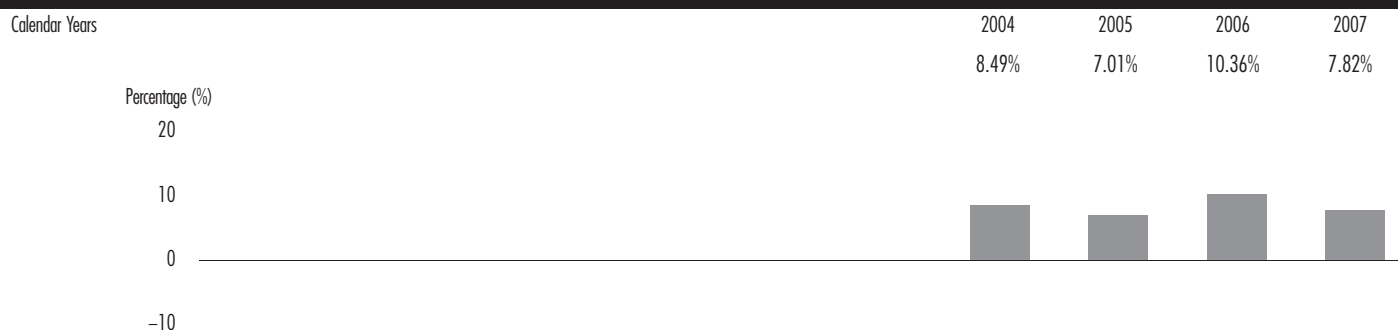
Lowest Quarter Return

-7.50% September 30, 2001

Year-to-Date Return

-5.06% March 31, 2008

### Freedom 2015



During the periods shown in the chart for Freedom 2015:

Highest Quarter Return

Returns  
6.99% Quarter ended  
December 31, 2004

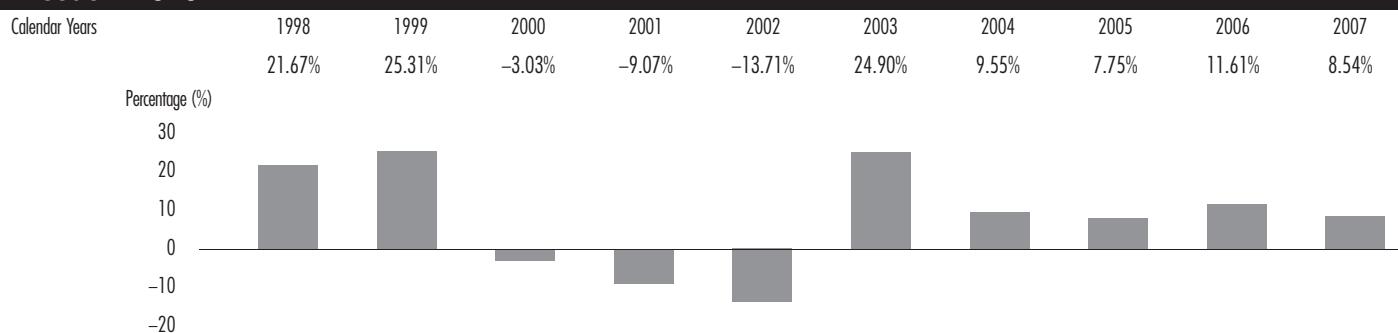
Lowest Quarter Return

-1.72% June 30, 2006

Year-to-Date Return

-5.93% March 31, 2008

### Freedom 2020



During the periods shown in the chart for Freedom 2020:

Highest Quarter Return

Returns  
17.19% Quarter ended  
December 31, 1998

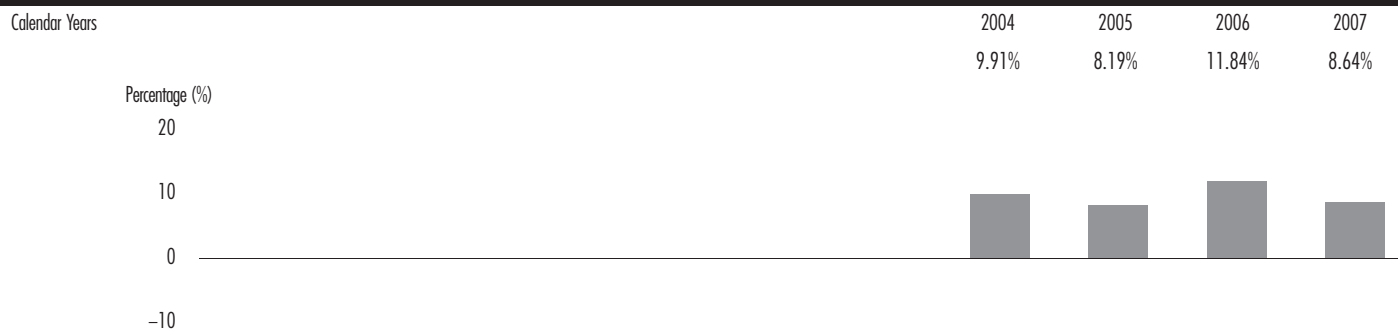
Lowest Quarter Return

-12.55% September 30, 2001

Year-to-Date Return

-7.27% March 31, 2008

## Freedom 2025



During the periods shown in the chart for Freedom 2025:

Highest Quarter Return

Returns  
8.78% Quarter ended  
December 31, 2004

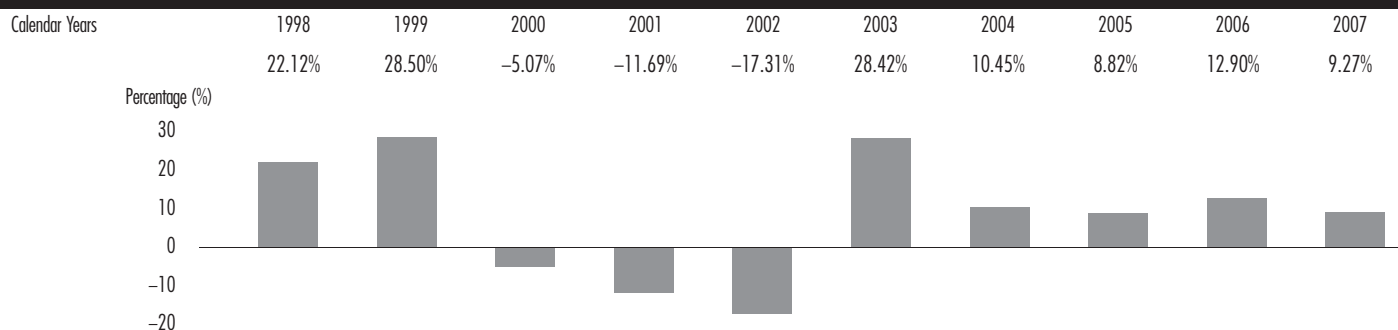
Lowest Quarter Return

–2.23% June 30, 2006

Year-to-Date Return

–7.81% March 31, 2008

## Freedom 2030



During the periods shown in the chart for Freedom 2030:

Highest Quarter Return

Returns  
18.59% Quarter ended  
December 31, 1999

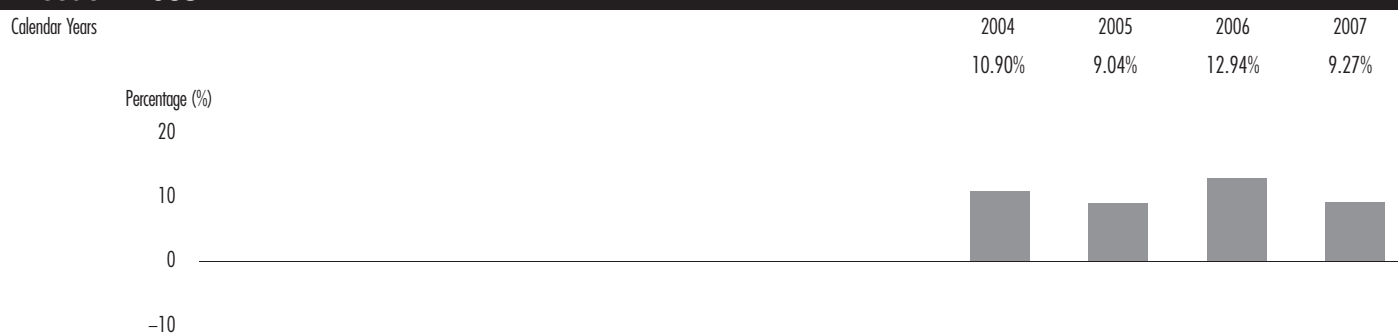
Lowest Quarter Return

–15.03% September 30, 2001

Year-to-Date Return

–9.08% March 31, 2008

## Freedom 2035



During the periods shown in the chart for Freedom 2035:

Highest Quarter Return

Returns  
9.69% Quarter ended  
December 31, 2004

Lowest Quarter Return

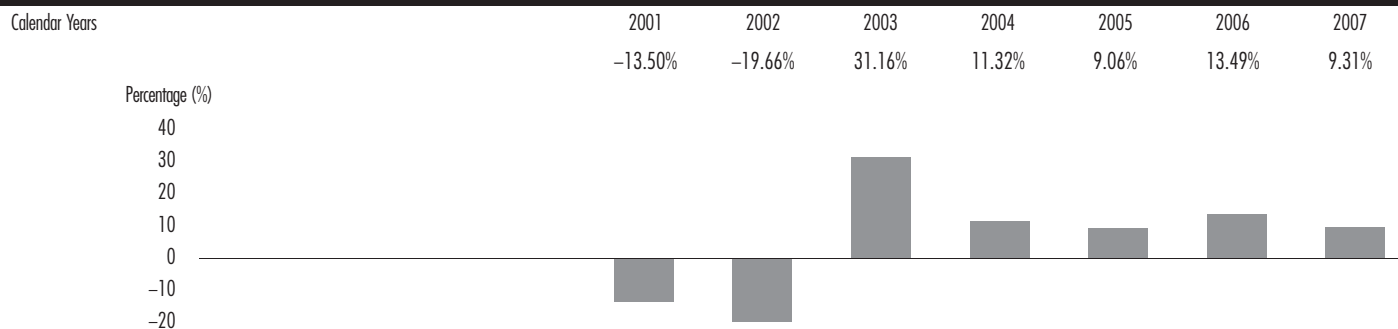
–2.53% June 30, 2006

Year-to-Date Return

–9.28% March 31, 2008

## Fund Summary – continued

### Freedom 2040



During the periods shown in the chart for Freedom 2040:

Highest Quarter Return

Returns Quarter ended

15.40% June 30, 2003

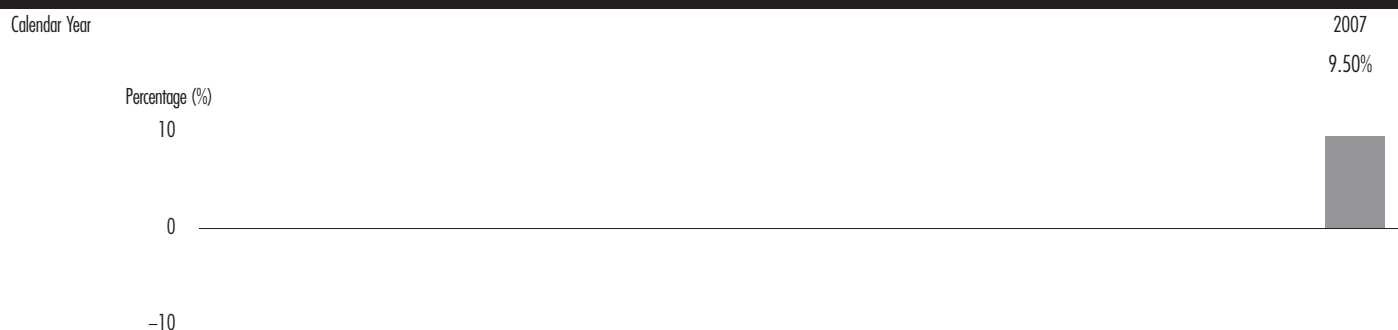
Lowest Quarter Return

-16.92% September 30, 2001

Year-to-Date Return

-9.66% March 31, 2008

### Freedom 2045



During the period shown in the chart for Freedom 2045:

Highest Quarter Return

Returns Quarter ended

6.76% June 30, 2007

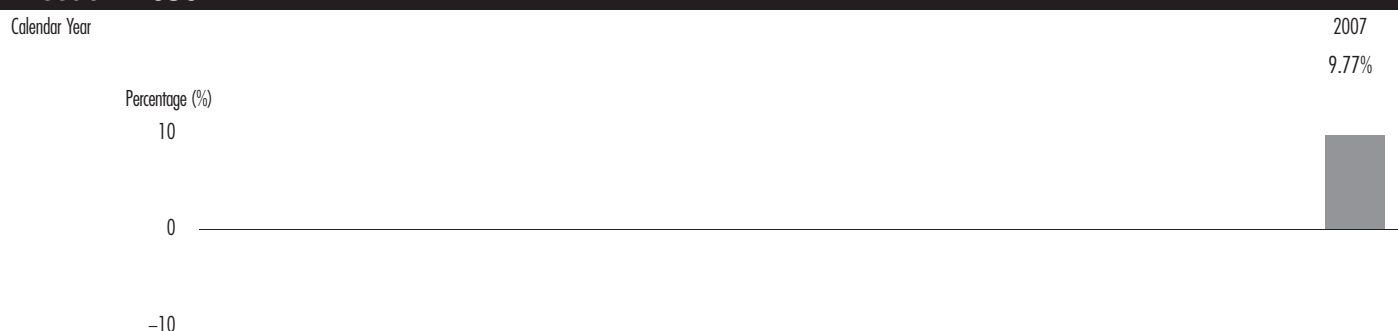
Lowest Quarter Return

-2.03% December 31, 2007

Year-to-Date Return

-9.78% March 31, 2008

### Freedom 2050



During the period shown in the chart for Freedom 2050:

Highest Quarter Return

Returns Quarter ended

6.93% June 30, 2007

Lowest Quarter Return

-2.11% December 31, 2007

Year-to-Date Return

-10.24% March 31, 2008



## Average Annual Returns

After-tax returns are calculated using the historical highest individual federal marginal income tax rates, but do not reflect the impact of state or local taxes. Return After Taxes on Distributions and Sale of Fund Shares may be higher than other returns for the

same period due to a tax benefit of realizing a capital loss upon the sale of fund shares. Actual after-tax returns may differ depending on your individual circumstances. The after-tax returns shown are not relevant if you hold your shares in a retirement account or in another tax-deferred arrangement.

For the periods ended December 31, 2007	Past 1 year	Past 5 years	Past 10 years/Life of fund
<b>Freedom Income</b>			
Return Before Taxes	4.83%	5.23%	5.23%
Return After Taxes on Distributions	3.22%	4.11%	3.71%
Return After Taxes on Distributions and Sale of Fund Shares	3.52%	3.90%	3.61%
Lehman Brothers <sup>®</sup> U.S. Aggregate Index (reflects no deduction for fees, expenses, or taxes)	6.97%	4.42%	5.97%
Fidelity Freedom Income Composite Index <sup>†</sup> (reflects no deduction for fees, expenses, or taxes)	5.80%	5.80%	5.38%
<b>Freedom 2000</b>			
Return Before Taxes	5.32%	5.95%	5.82%
Return After Taxes on Distributions	3.59%	4.84%	4.25%
Return After Taxes on Distributions and Sale of Fund Shares	3.86%	4.53%	4.14%
Lehman Brothers U.S. Aggregate Index (reflects no deduction for fees, expenses, or taxes)	6.97%	4.42%	5.97%
Fidelity Freedom 2000 Composite Index (reflects no deduction for fees, expenses, or taxes)	5.83%	6.31%	5.70%
<b>Freedom 2005</b>			
Return Before Taxes	7.27%	—	7.76% <sup>A</sup>
Return After Taxes on Distributions	5.85%	—	6.78% <sup>A</sup>
Return After Taxes on Distributions and Sale of Fund Shares	5.31%	—	6.24% <sup>A</sup>
Lehman Brothers U.S. Aggregate Index (reflects no deduction for fees, expenses, or taxes)	6.97%	—	4.78% <sup>A</sup>
Fidelity Freedom 2005 Composite Index (reflects no deduction for fees, expenses, or taxes)	6.53%	—	8.15% <sup>A</sup>
<b>Freedom 2010</b>			
Return Before Taxes	7.43%	9.36%	7.14%
Return After Taxes on Distributions	5.93%	8.28%	5.73%
Return After Taxes on Distributions and Sale of Fund Shares	5.46%	7.61%	5.46%
Lehman Brothers U.S. Aggregate Index (reflects no deduction for fees, expenses, or taxes)	6.97%	4.42%	5.97%
Fidelity Freedom 2010 Composite Index (reflects no deduction for fees, expenses, or taxes)	6.53%	9.54%	6.70%
<b>Freedom 2015</b>			
Return Before Taxes	7.82%	—	9.04% <sup>A</sup>
Return After Taxes on Distributions	6.47%	—	8.16% <sup>A</sup>
Return After Taxes on Distributions and Sale of Fund Shares	5.71%	—	7.44% <sup>A</sup>
S&P 500 <sup>®</sup> (reflects no deduction for fees, expenses, or taxes)	5.49%	—	10.22% <sup>A</sup>
Fidelity Freedom 2015 Composite Index (reflects no deduction for fees, expenses, or taxes)	6.67%	—	9.40% <sup>A</sup>
<b>Freedom 2020</b>			
Return Before Taxes	8.54%	12.30%	7.56%
Return After Taxes on Distributions	7.05%	11.35%	6.29%
Return After Taxes on Distributions and Sale of Fund Shares	6.44%	10.36%	5.97%
S&P 500 (reflects no deduction for fees, expenses, or taxes)	5.49%	12.83%	5.91%
Fidelity Freedom 2020 Composite Index (reflects no deduction for fees, expenses, or taxes)	6.62%	12.47%	6.89%

## Fund Summary – continued

For the periods ended December 31, 2007	Past 1 year	Past 5 years	Past 10 years/Life of fund
<b>Freedom 2025</b>			
Return Before Taxes	8.64%	—	10.41% <sup>A</sup>
Return After Taxes on Distributions	7.44%	—	9.62% <sup>A</sup>
Return After Taxes on Distributions and Sale of Fund Shares	6.33%	—	8.73% <sup>A</sup>
S&P 500 (reflects no deduction for fees, expenses, or taxes)	5.49%	—	10.22% <sup>A</sup>
Fidelity Freedom 2025 Composite Index (reflects no deduction for fees, expenses, or taxes)	6.62%	—	10.72% <sup>A</sup>
<b>Freedom 2030</b>			
Return Before Taxes	9.27%	13.75%	7.55%
Return After Taxes on Distributions	8.01%	12.95%	6.44%
Return After Taxes on Distributions and Sale of Fund Shares	6.95%	11.77%	6.07%
S&P 500 (reflects no deduction for fees, expenses, or taxes)	5.49%	12.83%	5.91%
Fidelity Freedom 2030 Composite Index (reflects no deduction for fees, expenses, or taxes)	6.53%	13.88%	6.76%
<b>Freedom 2035</b>			
Return Before Taxes	9.27%	—	11.37% <sup>A</sup>
Return After Taxes on Distributions	8.14%	—	10.63% <sup>A</sup>
Return After Taxes on Distributions and Sale of Fund Shares	6.86%	—	9.63% <sup>A</sup>
S&P 500 (reflects no deduction for fees, expenses, or taxes)	5.49%	—	10.22% <sup>A</sup>
Fidelity Freedom 2035 Composite Index (reflects no deduction for fees, expenses, or taxes)	6.52%	—	11.55% <sup>A</sup>
<b>Freedom 2040</b>			
Return Before Taxes	9.31%	14.59%	2.63% <sup>B</sup>
Return After Taxes on Distributions	7.99%	13.77%	1.93% <sup>B</sup>
Return After Taxes on Distributions and Sale of Fund Shares	7.09%	12.53%	1.96% <sup>B</sup>
S&P 500 (reflects no deduction for fees, expenses, or taxes)	5.49%	12.83%	1.49% <sup>B</sup>
Fidelity Freedom 2040 Composite Index (reflects no deduction for fees, expenses, or taxes)	6.39%	14.76%	3.97% <sup>C</sup>
<b>Freedom 2045</b>			
Return Before Taxes	9.50%	—	11.81% <sup>D</sup>
Return After Taxes on Distributions	8.65%	—	11.04% <sup>D</sup>
Return After Taxes on Distributions and Sale of Fund Shares	6.67%	—	9.83% <sup>D</sup>
S&P 500 (reflects no deduction for fees, expenses, or taxes)	5.49%	—	10.81% <sup>D</sup>
Fidelity Freedom 2045 Composite Index (reflects no deduction for fees, expenses, or taxes)	6.51%	—	11.20% <sup>D</sup>
<b>Freedom 2050</b>			
Return Before Taxes	9.77%	—	11.99% <sup>D</sup>
Return After Taxes on Distributions	9.04%	—	11.31% <sup>D</sup>
Return After Taxes on Distributions and Sale of Fund Shares	6.83%	—	10.03% <sup>D</sup>
S&P 500 (reflects no deduction for fees, expenses, or taxes)	5.49%	—	10.81% <sup>D</sup>
Fidelity Freedom 2050 Composite Index (reflects no deduction for fees, expenses, or taxes)	6.48%	—	11.22% <sup>D</sup>

<sup>A</sup> From November 6, 2003.

<sup>B</sup> From September 6, 2000.

<sup>C</sup> From September 30, 2000 (the first date following the fund's commencement for which the life of the fund return for all components of the composite index is available).

<sup>D</sup> From June 1, 2006.

<sup>†</sup> Beginning July 1, 2005, a high yield index was added to the Composite Index for Freedom Income Fund.

Lehman Brothers<sup>®</sup> U.S. Aggregate Index is a market value-weighted index of taxable investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities, with maturities of one year or more. The index is designed to represent the performance of the U.S. investment-grade fixed-rate bond market.

Standard & Poor's 500<sup>SM</sup> Index (S&P 500<sup>®</sup>) is a market capitalization-weighted index of 500 common stocks chosen for market size, liquidity, and industry group representation to represent U.S. equity performance.

Each of Fidelity Freedom Income Composite Index, Fidelity Freedom 2000 Composite Index, Fidelity Freedom 2005 Composite Index, Fidelity Freedom 2010 Composite Index, Fidelity Freedom 2015 Composite Index, Fidelity Freedom 2020 Composite Index, Fidelity Freedom 2025 Composite Index, Fidelity Freedom 2030 Composite Index, Fidelity Freedom 2035 Composite Index, and Fidelity Freedom 2040 Composite Index is a hypothetical representation of the performance of each Freedom Fund's asset classes according to their respective weightings adjusted on June 30 and December 31 of each calendar year for the Freedom Funds with target retirement dates, to reflect the increasingly conservative asset allocations. The following indexes are used to represent each Freedom Fund's asset classes when calculating the composite indexes: domestic equity – the Dow Jones Wilshire 5000 Composite Index<sup>SM</sup> (Dow Jones Wilshire 5000), international equity – the Morgan Stanley Capital International<sup>SM</sup> Europe, Australasia, Far East (MSCI<sup>®</sup> EAFE<sup>®</sup>) Index, investment grade fixed-income – the Lehman Brothers U.S. Aggregate Index, high yield fixed-income – the Merrill Lynch<sup>®</sup> U.S. High Yield Master II Constrained Index, and short-term – the Lehman Brothers 3-Month Treasury Bill Index.

Each of Fidelity Freedom 2045 Composite Index and Fidelity Freedom 2050 Composite Index is a hypothetical representation of the performance of Freedom 2045's and Freedom 2050's asset classes according to their respective weightings adjusted on June 30 and December 31 of each calendar year for Freedom 2045 and Freedom 2050, to reflect the increasingly conservative asset allocations. The

following indexes are used to represent Freedom 2045's and Freedom 2050's asset classes when calculating the composite indexes: domestic equity – the Dow Jones Wilshire 5000, international equity – the MSCI EAFE Index, investment grade fixed-income – the Lehman Brothers U.S. Aggregate Index, and high yield fixed-income – the Merrill Lynch U.S. High Yield Master II Constrained Index.

Dow Jones Wilshire 5000 Composite Index (Dow Jones Wilshire 5000) is a float-adjusted market capitalization-weighted index of substantially all equity securities of U.S. headquartered companies with readily available price data.

Morgan Stanley Capital International Europe, Australasia, Far East (MSCI EAFE) Index is a market capitalization-weighted index of equity securities of companies domiciled in various countries. The index is designed to represent the performance of developed stock markets outside the United States and Canada and excludes certain market segments unavailable to U.S. based investors. Index returns are adjusted for tax withholding rates applicable to U.S. based mutual funds organized as Massachusetts business trusts.

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

Lehman Brothers 3-Month Treasury Bill Index is a market value-weighted index of investment-grade fixed-rate public obligations of the U.S. Treasury with maturities of 3 months. It excludes zero coupon strips.

## Fee Table

The following table describes the fees and expenses that may be incurred when you buy, hold, or sell shares of a Freedom Fund.

### Shareholder fees (paid by the investor directly)

Sales charge (load) on purchases and reinvested distributions

None

Deferred sales charge (load) on redemptions

None

### Annual operating expenses (paid from fund assets)

#### Freedom Income

Management fee	None
Distribution and/or Service (12b-1) fees	None
Other expenses	0.00%
Acquired fund fees and expenses	0.49%
<b>Total annual fund operating expenses<sup>A</sup></b>	<b>0.49%</b>

## Fund Summary – continued

<b>Freedom 2000</b>	Management fee	None
	Distribution and/or Service (12b-1) fees	None
	Other expenses	0.00%
	Acquired fund fees and expenses	0.51%
	<b>Total annual fund operating expenses<sup>A</sup></b>	<b>0.51%</b>
<b>Freedom 2005</b>	Management fee	None
	Distribution and/or Service (12b-1) fees	None
	Other expenses	0.00%
	Acquired fund fees and expenses	0.64%
	<b>Total annual fund operating expenses<sup>A</sup></b>	<b>0.64%</b>
<b>Freedom 2010</b>	Management fee	None
	Distribution and/or Service (12b-1) fees	None
	Other expenses	0.00%
	Acquired fund fees and expenses	0.65%
	<b>Total annual fund operating expenses<sup>A</sup></b>	<b>0.65%</b>
<b>Freedom 2015</b>	Management fee	None
	Distribution and/or Service (12b-1) fees	None
	Other expenses	0.00%
	Acquired fund fees and expenses	0.67%
	<b>Total annual fund operating expenses<sup>A</sup></b>	<b>0.67%</b>
<b>Freedom 2020</b>	Management fee	None
	Distribution and/or Service (12b-1) fees	None
	Other expenses	0.00%
	Acquired fund fees and expenses	0.72%
	<b>Total annual fund operating expenses<sup>A</sup></b>	<b>0.72%</b>
<b>Freedom 2025</b>	Management fee	None
	Distribution and/or Service (12b-1) fees	None
	Other expenses	0.00%
	Acquired fund fees and expenses	0.73%
	<b>Total annual fund operating expenses<sup>A</sup></b>	<b>0.73%</b>
<b>Freedom 2030</b>	Management fee	None
	Distribution and/or Service (12b-1) fees	None
	Other expenses	0.00%
	Acquired fund fees and expenses	0.76%
	<b>Total annual fund operating expenses<sup>A</sup></b>	<b>0.76%</b>
<b>Freedom 2035</b>	Management fee	None
	Distribution and/or Service (12b-1) fees	None
	Other expenses	0.00%
	Acquired fund fees and expenses	0.77%
	<b>Total annual fund operating expenses<sup>A</sup></b>	<b>0.77%</b>
<b>Freedom 2040</b>	Management fee	None
	Distribution and/or Service (12b-1) fees	None
	Other expenses	0.00%
	Acquired fund fees and expenses	0.78%
	<b>Total annual fund operating expenses<sup>A</sup></b>	<b>0.78%</b>

<b>Freedom 2045</b>	Management fee	None
	Distribution and/or Service (12b-1) fees	None
	Other expenses	0.00%
	Acquired fund fees and expenses	0.78%
	<b>Total annual fund operating expenses<sup>A</sup></b>	<b>0.78%</b>
<b>Freedom 2050</b>	Management fee	None
	Distribution and/or Service (12b-1) fees	None
	Other expenses	0.00%
	Acquired fund fees and expenses	0.80%
	<b>Total annual fund operating expenses<sup>A</sup></b>	<b>0.80%</b>

<sup>A</sup> Differs from the ratios of expenses to average net assets in the Financial Highlights section because the total annual operating expenses shown above include acquired fund fees and expenses.

This **example** helps you compare the cost of investing in the Freedom Funds with the cost of investing in other mutual funds.

Let's say, hypothetically, that each Freedom Fund's annual return is 5% and that your shareholder fees and each Freedom Fund's annual operating expenses are exactly as described in the fee table. This

example illustrates the effect of fees and expenses, but is not meant to suggest actual or expected fees and expenses or returns, all of which may vary. For every \$10,000 you invested, here's how much you would pay in total expenses if you sell all of your shares at the end of each time period indicated:

<b>Freedom Income</b>	1 year	\$ 50
	3 years	\$ 157
	5 years	\$ 274
	10 years	\$ 616
<b>Freedom 2000</b>	1 year	\$ 52
	3 years	\$ 164
	5 years	\$ 285
	10 years	\$ 640
<b>Freedom 2005</b>	1 year	\$ 65
	3 years	\$ 205
	5 years	\$ 357
	10 years	\$ 798
<b>Freedom 2010</b>	1 year	\$ 66
	3 years	\$ 208
	5 years	\$ 362
	10 years	\$ 810
<b>Freedom 2015</b>	1 year	\$ 68
	3 years	\$ 214
	5 years	\$ 373
	10 years	\$ 835
<b>Freedom 2020</b>	1 year	\$ 74
	3 years	\$ 230
	5 years	\$ 401
	10 years	\$ 894
<b>Freedom 2025</b>	1 year	\$ 75
	3 years	\$ 233
	5 years	\$ 406
	10 years	\$ 906

## Fund Summary – continued

<b>Freedom 2030</b>	1 year	\$ 78
	3 years	\$ 243
	5 years	\$ 422
	10 years	\$ 942
<b>Freedom 2035</b>	1 year	\$ 79
	3 years	\$ 246
	5 years	\$ 428
	10 years	\$ 954
<b>Freedom 2040</b>	1 year	\$ 80
	3 years	\$ 249
	5 years	\$ 433
	10 years	\$ 966
<b>Freedom 2045</b>	1 year	\$ 80
	3 years	\$ 249
	5 years	\$ 433
	10 years	\$ 966
<b>Freedom 2050</b>	1 year	\$ 82
	3 years	\$ 255
	5 years	\$ 444
	10 years	\$ 990



# Fund Basics

## Investment Details

### Investment Objective

**Freedom Income Fund** seeks high current income and, as a secondary objective, capital appreciation.

Each of **Freedom 2000 Fund, Freedom 2005 Fund, Freedom 2010 Fund, Freedom 2015 Fund, Freedom 2020 Fund, Freedom 2025 Fund, Freedom 2030 Fund, Freedom 2035 Fund, Freedom 2040 Fund, Freedom 2045 Fund, and Freedom 2050 Fund** seeks high total return until its target retirement date. Thereafter the fund's objective will be to seek high current income and, as a secondary objective, capital appreciation.

### Principal Investment Strategies

Strategic Advisers<sup>®</sup>, Inc. (Strategic Advisers) invests each Freedom Fund's assets in a combination of Fidelity funds: domestic and international equity funds, investment-grade and high yield fixed-income funds, and short-term funds (underlying Fidelity funds). The Freedom Funds differ primarily due to their asset allocations among these fund types. The target asset allocation strategy for each Freedom Fund is designed to provide an approach to asset allocation that is neither overly aggressive nor overly conservative.

Strategic Advisers allocates the assets of each Freedom Fund with a target retirement date (Freedom 2000, Freedom 2005, Freedom 2010, Freedom 2015, Freedom 2020, Freedom 2025, Freedom 2030, Freedom 2035, Freedom 2040, Freedom 2045, and Freedom 2050) among underlying Fidelity funds according to an asset allocation strategy that becomes increasingly conservative over time. Each fund's name refers to the approximate retirement year of the investors for whom the fund's asset allocation strategy is designed. For example, Freedom 2050, which is designed for investors planning to retire around the year 2050, has a relatively aggressive target asset allocation, with a substantial portion of its assets invested in equity funds and a modest portion of its assets invested in fixed-income funds. By contrast, Freedom 2000, which has reached its target

retirement year, has a conservative target asset allocation, with less than half of its assets invested in equity funds and the majority of its assets invested in fixed-income and short-term funds.

Freedom Income is designed for investors in their retirement years. Strategic Advisers allocates the fund's assets according to a stable target asset allocation that emphasizes fixed-income and short-term funds but also includes a small amount of equity funds.

The following table contains guidelines designed to help investors select an appropriate Freedom Fund. The guidelines are based on the year in which the investor anticipates his or her retirement to begin and assume a retirement age of 65.

<u>Retirement Year</u>	<u>Fund</u>
Retired before 1998	Freedom Income
1998 – 2002	Freedom 2000
2003 – 2007	Freedom 2005
2008 – 2012	Freedom 2010
2013 – 2017	Freedom 2015
2018 – 2022	Freedom 2020
2023 – 2027	Freedom 2025
2028 – 2032	Freedom 2030
2033 – 2037	Freedom 2035
2038 – 2042	Freedom 2040
2043 – 2047	Freedom 2045
2048 – 2052	Freedom 2050

The following table lists the underlying Fidelity funds in which each Freedom Fund currently may invest and each Freedom Fund's approximate asset allocation to each underlying Fidelity fund as of March 31, 2008. Strategic Advisers may change these percentages over time.

Fund Categories	Freedom Income	Freedom 2000	Freedom 2005	Freedom 2010	Freedom 2015	Freedom 2020	Freedom 2025	Freedom 2030	Freedom 2035	Freedom 2040	Freedom 2045	Freedom 2050
<b>EQUITY FUNDS</b>												
<b>Domestic Equity Funds</b>												
Fidelity <sup>®</sup> 100 Index Fund	3.6%	4.2%	6.4%	7.5%	6.3%	9.2%	7.5%	10.0%	8.8%	10.2%	7.6%	8.3%
Fidelity Blue Chip Growth Fund	1.0%	1.1%	2.1%	1.7%	2.2%	2.6%	2.9%	3.8%	3.0%	3.7%	2.9%	3.2%
Fidelity Disciplined Equity Fund	4.2%	5.0%	7.6%	7.9%	8.6%	10.1%	11.2%	12.2%	13.2%	13.0%	15.7%	15.4%
Fidelity Equity-Income Fund	3.9%	4.6%	7.0%	7.3%	8.0%	9.4%	10.5%	11.4%	12.4%	12.2%	14.1%	14.2%
Fidelity Growth Company Fund	2.5%	3.1%	4.7%	4.7%	5.3%	6.4%	6.9%	7.8%	8.1%	8.3%	9.0%	9.0%
Fidelity Mid-Cap Stock Fund	1.3%	1.9%	3.2%	3.3%	3.7%	4.7%	4.9%	5.7%	5.8%	5.9%	4.2%	4.8%
Fidelity OTC Portfolio	0.3%	0.3%	1.1%	1.0%	1.3%	1.5%	1.7%	2.1%	1.9%	2.0%	0.8%	0.9%
Fidelity Small Cap Growth Fund	0.3%	0.4%	0.6%	0.5%	0.6%	0.7%	0.8%	0.9%	1.0%	1.0%	1.1%	1.1%
Fidelity Small Cap Opportunities Fund	0.6%	0.8%	1.1%	1.0%	1.2%	1.4%	1.6%	1.7%	1.9%	1.8%	2.1%	2.1%
Fidelity Small Cap Value Fund	0.3%	0.4%	0.6%	0.5%	0.6%	0.7%	0.9%	0.9%	1.0%	1.0%	1.1%	1.1%
Fidelity Value Fund	2.3%	2.8%	4.3%	4.3%	5.0%	5.9%	6.5%	7.3%	7.7%	7.7%	8.4%	8.4%

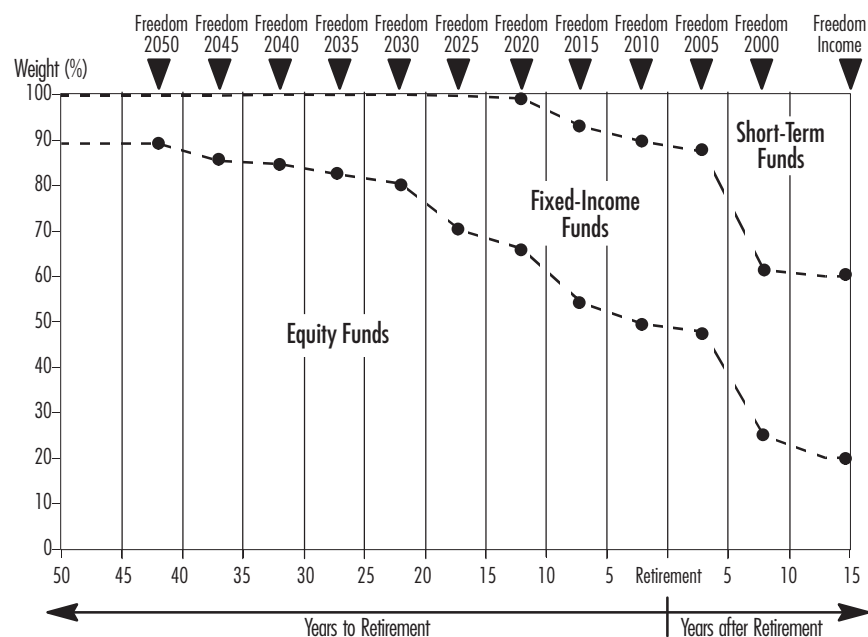
## Fund Basics – continued

Fund Categories	Freedom Income	Freedom 2000	Freedom 2005	Freedom 2010	Freedom 2015	Freedom 2020	Freedom 2025	Freedom 2030	Freedom 2035	Freedom 2040	Freedom 2045	Freedom 2050
<b>International Equity Funds</b>												
Fidelity Diversified International Fund	0.0%	0.1%	2.5%	2.7%	3.2%	3.7%	4.3%	4.6%	5.2%	5.1%	5.3%	5.8%
Fidelity Europe Fund	0.0%	0.2%	3.1%	3.4%	3.6%	4.6%	4.5%	5.5%	5.3%	5.7%	5.7%	6.6%
Fidelity Japan Fund	0.0%	0.1%	0.9%	0.9%	1.0%	1.2%	1.3%	1.5%	1.5%	1.6%	1.6%	1.9%
Fidelity Overseas Fund	0.0%	0.1%	2.4%	2.6%	3.2%	3.6%	4.2%	4.5%	5.1%	5.0%	5.2%	5.7%
Fidelity Southeast Asia Fund	0.0%	0.0%	0.4%	0.4%	0.5%	0.6%	0.6%	0.7%	0.7%	0.7%	0.8%	0.9%
<b>FIXED-INCOME FUNDS</b>												
<b>Investment-Grade Fixed-Income Funds</b>												
Fidelity Government Income Fund	8.1%	7.4%	7.7%	7.5%	7.0%	5.5%	4.8%	2.6%	2.2%	1.2%	1.4%	0.1%
Fidelity Intermediate Bond Fund	5.7%	5.0%	5.1%	5.3%	4.3%	3.9%	2.4%	1.6%	1.0%	0.7%	0.2%	0.0%
Fidelity Investment Grade Bond Fund	9.7%	8.5%	8.8%	9.4%	7.5%	6.7%	4.4%	2.9%	1.8%	1.2%	0.3%	0.0%
Fidelity Strategic Real Return Fund	7.1%	6.4%	7.1%	7.3%	6.7%	5.2%	4.6%	2.4%	2.1%	1.2%	0.9%	0.1%
Fidelity Total Bond Fund	4.4%	4.3%	5.9%	5.5%	7.7%	4.2%	5.9%	2.3%	2.7%	0.9%	1.3%	0.1%
<b>High Yield Fixed-Income Funds</b>												
Fidelity Capital & Income Fund	2.4%	2.4%	2.5%	2.5%	2.8%	3.7%	3.7%	3.8%	3.8%	5.0%	5.1%	5.1%
Fidelity High Income Fund	2.5%	2.5%	2.5%	2.6%	2.8%	3.8%	3.8%	4.0%	3.9%	5.1%	5.2%	5.2%
<b>Short-Term Funds</b>												
Institutional Money Market Portfolio	20.1%	19.5%	6.1%	5.1%	3.3%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Fidelity Short-Term Bond Fund	19.6%	19.0%	6.5%	5.1%	3.5%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

Note: The allocation percentages may not add to 100% due to rounding.

The following chart illustrates each Freedom Fund's approximate asset allocation among equity, fixed-income, and short-term funds as of March 31, 2008. The chart also illustrates how these allocations

may change over time. The Freedom Funds' target asset allocations may differ from this illustration.



When the target asset allocation of a Freedom Fund with a target retirement date matches Freedom Income's target asset allocation (approximately 10 to 15 years after the fund's retirement date), The Board of Trustees may combine the fund with Freedom Income, without shareholder approval, and the fund's shareholders will become shareholders of Freedom Income.

Strategic Advisers intends to manage each Freedom Fund according to its target asset allocation strategy, and does not intend to trade actively among underlying Fidelity funds or intend to attempt to capture short-term market opportunities. However, Strategic Advisers may modify the target asset allocation strategy for any Freedom Fund and modify the selection of underlying Fidelity funds for any Freedom Fund from time to time.

### **Description of Underlying Fidelity Funds**

Each Freedom Fund will purchase Institutional Class shares of Money Market Portfolio.

Although the underlying Fidelity funds are categorized generally as equity (domestic or international), fixed-income (investment-grade or high yield), and short-term funds, many of the underlying Fidelity funds may invest in a mix of securities of foreign and domestic issuers, investment-grade and high yield bonds, and other securities.

### **Domestic Equity Funds**

**Fidelity 100 Index Fund** seeks to provide investment results that correspond to the total return of large capitalization United States companies.

Geode Capital Management, LLC (Geode®) normally invests at least 80% of the fund's assets in common stocks included in the Standard & Poor's 100 Index (S&P 100®). The S&P 100, a subset of the S&P 500, is composed of 100 leading U.S. stocks with exchange-listed options. The stocks in the S&P 100 are generally among the largest and most established companies in the S&P 500, sometimes referred to as mega cap stocks.

The fund may not always hold all of the same securities as the S&P 100. Geode may use statistical sampling techniques to attempt to replicate the returns of the S&P 100. Statistical sampling techniques attempt to match the investment characteristics of the index and the fund by taking into account such factors as capitalization, industry exposures, dividend yield, price/earnings (P/E) ratio, price/book (P/B) ratio, and earnings growth.

The fund may not track the index perfectly because differences between the index and the fund's portfolio can cause differences in performance. In addition, expenses and transaction costs, the size and frequency of cash flows into and out of the fund, and differences between how and when the fund and the index are valued can cause differences in performance.

In addition to the principal investment strategies discussed above, the fund may lend securities to broker-dealers or other institutions to earn income.

Geode may also use various techniques, such as buying and selling futures contracts, swaps, and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If Geode's strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Blue Chip Growth Fund** seeks growth of capital over the long term.

Fidelity Management & Research Company (FMR) normally invests the fund's assets primarily in common stocks of well-known and established companies.

FMR normally invests at least 80% of the fund's assets in blue chip companies. Blue chip companies include companies whose stock is included in the S&P 500 or the Dow Jones Industrial Average<sup>SM</sup> (DJIA<sup>SM</sup>), and companies with market capitalizations of at least \$1 billion if not included in either index. A company's market capitalization is based on its current market capitalization or its market capitalization at the time of the fund's investment.

FMR invests the fund's assets in companies it believes have above-average growth potential. Growth may be measured by factors such as earnings or revenue. Companies with high growth potential tend to be companies with higher than average P/E or P/B ratios. Companies with strong growth potential often have new products, technologies, distribution channels, or other opportunities, or have a strong industry or market position. The stocks of these companies are often called "growth" stocks.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

In addition to the principal investment strategies discussed above, FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Disciplined Equity Fund** seeks capital growth.

FMR normally invests at least 80% of the fund's assets in equity securities. FMR normally invests the fund's assets primarily in common stocks.

FMR seeks to reduce the impact of industry weightings on the performance of the fund by considering each industry's weighting in the S&P 500 when allocating the fund's investments across industries.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

## Fund Basics – continued

FMR is not constrained by any particular investment style. At any given time, FMR may tend to buy “growth” stocks or “value” stocks, or a combination of both types. In buying and selling securities for the fund, FMR uses a disciplined approach that involves both quantitative and fundamental analysis. Quantitative analysis refers to programmatic models that analyze such factors as growth potential, valuation, liquidity, and investment risk based on data inputs. Fundamental analysis involves a bottom-up assessment of a company’s potential for success in light of factors including its financial condition, earnings outlook, strategy, management, industry position, and economic and market conditions.

In addition to the principal investment strategies discussed above, FMR may lend the fund’s securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund’s exposure to changing security prices or other factors that affect security values. If FMR’s strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Equity-Income Fund** seeks reasonable income. In pursuing this objective, the fund will also consider the potential for capital appreciation. The fund seeks a yield for its shareholders that exceeds the yield on the securities comprising the S&P 500.

FMR normally invests at least 80% of the fund’s assets in equity securities. FMR normally invests the fund’s assets primarily in income-producing equity securities. FMR may also invest the fund’s assets in other types of equity securities and debt securities, including lower-quality debt securities.

FMR may invest the fund’s assets in securities of foreign issuers in addition to securities of domestic issuers.

FMR’s emphasis on above-average income-producing equity securities tends to lead to investments in large cap “value” stocks. However, FMR is not constrained by any particular investment style. In buying and selling securities for the fund, FMR relies on fundamental analysis, which involves a bottom-up assessment of a company’s potential for success in light of factors including its financial condition, earnings outlook, strategy, management, industry position, and economic and market conditions.

In addition to the principal investment strategies discussed above, FMR may lend the fund’s securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund’s exposure to changing security prices or other factors that affect security values. If FMR’s strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Growth Company Fund** seeks capital appreciation.

FMR normally invests the fund’s assets primarily in common stocks.

FMR invests the fund’s assets in companies it believes have above-average growth potential. Growth may be measured by factors such as earnings or revenue.

Companies with high growth potential tend to be companies with higher than average P/E or P/B ratios. Companies with strong growth potential often have new products, technologies, distribution channels, or other opportunities, or have a strong industry or market position. The stocks of these companies are often called “growth” stocks.

FMR may invest the fund’s assets in securities of foreign issuers in addition to securities of domestic issuers.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

In addition to the principal investment strategies discussed above, FMR may lend the fund’s securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund’s exposure to changing security prices or other factors that affect security values. If FMR’s strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Mid-Cap Stock Fund** seeks long-term growth of capital.

FMR normally invests at least 80% of the fund’s assets in common stocks of companies with medium market capitalizations. Although a universal definition of medium market capitalization companies does not exist, for purposes of this fund, FMR generally defines medium market capitalization companies as those whose market capitalization is similar to the market capitalization of companies in the Russell Midcap<sup>®</sup> Index or the Standard & Poor’s<sup>®</sup> MidCap 400 Index (S&P<sup>®</sup> MidCap 400). A company’s market capitalization is based on its current market capitalization or its market capitalization at the time of the fund’s investment. The size of the companies in each index changes with market conditions and the composition of the index. FMR may also invest the fund’s assets in companies with smaller or larger market capitalizations.

FMR may invest the fund’s assets in securities of foreign issuers in addition to securities of domestic issuers.

FMR is not constrained by any particular investment style. At any given time, FMR may tend to buy “growth” stocks or “value” stocks, or a combination of both types. In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

In addition to the principal investment strategies discussed above, FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

**Fidelity OTC Portfolio** seeks capital appreciation.

FMR normally invests the fund's assets primarily in common stocks.

FMR normally invests at least 80% of the fund's assets in NASDAQ and OTC securities. For purposes of this fund, FMR defines NASDAQ and OTC securities as securities principally traded on either the NASDAQ exchange or the OTC market (a telephone or computer network that connects securities dealers), which may include equity or debt securities. These securities can be issued by companies of any size. However, the OTC market has more small and medium-sized companies than other markets.

FMR will invest more than 25% of the fund's total assets in the technology sector.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

Because the fund is considered non-diversified, FMR may invest a significant percentage of the fund's assets in a single issuer.

FMR is not constrained by any particular investment style. At any given time, FMR may tend to buy "growth" stocks or "value" stocks or a combination of both types. In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

In addition to the principal investment strategies discussed above, FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Small Cap Growth Fund** seeks capital appreciation.

FMR normally invests the fund's assets primarily in common stocks.

FMR normally invests at least 80% of the fund's assets in securities of companies with small market capitalizations. Although a universal definition of small market capitalization companies does not exist, for purposes of this fund, FMR generally defines small market capitalization companies as those whose market capitalization is similar to the market capitalization of companies in the Russell 2000 Index or the Standard & Poor's SmallCap 600 Index (S&P SmallCap 600). A company's market capitalization is based on its current

market capitalization or its market capitalization at the time of the fund's investment. The size of the companies in each index changes with market conditions and the composition of the index.

FMR invests the fund's assets in companies it believes have above-average growth potential. Growth may be measured by factors such as earnings or revenue.

Companies with high growth potential tend to be companies with higher than average P/E or P/B ratios. Companies with strong growth potential often have new products, technologies, distribution channels, or other opportunities, or have a strong industry or market position. The stocks of these companies are often called "growth" stocks.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

In addition to the principal investment strategies discussed above, FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Small Cap Opportunities Fund** seeks capital appreciation.

FMR normally invests the fund's assets primarily in common stocks.

FMR normally invests at least 80% of the fund's assets in securities of companies with small market capitalizations. Although a universal definition of small market capitalization companies does not exist, for purposes of this fund, FMR generally defines small market capitalization companies as those whose market capitalization is similar to the market capitalization of companies in the Russell 2000 Index or the S&P SmallCap 600. A company's market capitalization is based on its current market capitalization or its market capitalization at the time of the fund's investment. The size of the companies in each index changes with market conditions and the composition of the index.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

The fund's portfolio manager allocates the fund's assets across different market sectors. At present, these sectors include consumer discretionary, consumer staples, energy, financials, health care, industrials, information technology, materials, telecom services and utilities. The portfolio manager generally uses other Fidelity managers to handle investments within each market sector, either



## Fund Basics – continued

through subportfolios, which are portions of the fund's assets assigned to other managers by the fund's portfolio manager, or through central funds, which are specialized investment vehicles designed to be used by Fidelity funds.

FMR is not constrained by any particular investment style. At any given time, FMR may tend to buy "growth" stocks or "value" stocks, or a combination of both types. In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

In addition to the principal investment strategies discussed above, FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Small Cap Value Fund** seeks capital appreciation.

FMR normally invests the fund's assets primarily in common stocks.

FMR normally invests at least 80% of the fund's assets in securities of companies with small market capitalizations. Although a universal definition of small market capitalization companies does not exist, for purposes of this fund, FMR generally defines small market capitalization companies as those whose market capitalization is similar to the market capitalization of companies in the Russell 2000 Index or the S&P SmallCap 600. A company's market capitalization is based on its current market capitalization or its market capitalization at the time of the fund's investment. The size of the companies in each index changes with market conditions and the composition of the index.

FMR invests in securities of companies that it believes are undervalued in the marketplace in relation to factors such as the company's assets, sales, earnings, growth potential, or cash flow, or in relation to securities of other companies in the same industry. FMR considers traditional and other measures of value such as P/B ratio, price/sales (P/S) ratio, P/E ratio, earnings relative to enterprise value (the total value of a company's outstanding equity and debt), and the discounted value of a company's projected future free cash flows. The types of companies in which the fund may invest include companies experiencing positive fundamental change, such as a new management team or product launch, a significant cost-cutting initiative, a merger or acquisition, or a reduction in industry capacity that should lead to improved pricing; companies whose earnings potential has increased or is expected to increase more than generally perceived; and companies that have enjoyed recent market popularity but which appear to have temporarily fallen out of favor for reasons that are considered non-recurring or short-term.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

In addition to the principal investment strategies discussed above, FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Value Fund** seeks capital appreciation.

FMR normally invests the fund's assets primarily in common stocks.

FMR invests in securities of companies that possess valuable fixed assets or that it believes are undervalued in the marketplace in relation to factors such as the issuing company's assets, earnings, or growth potential. These companies generally have one or more of the following characteristics: (1) valuable fixed assets; (2) valuable consumer or commercial franchises or potentially valuable transportation routes; (3) selling at low market valuations of assets relative to the securities market in general, or companies that may currently be earning a very low return on assets but which have the potential to earn higher returns if conditions in the industry improve; (4) are undervalued in relation to their potential for growth in earnings, dividends, and book value; or (5) have recently changed management or control and have the potential for a "turnaround" in earnings. The stocks of these companies are often called "value" stocks. FMR may also invest the fund's assets in convertible securities and debt securities.

Although FMR focuses on investing the fund's assets in securities issued by medium-sized companies, FMR may also make substantial investments in securities issued by larger or smaller companies.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

In addition to the principal investment strategies discussed above, FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.



## **International Equity Funds**

**Fidelity Diversified International Fund** seeks capital growth.

FMR normally invests the fund's assets primarily in non-U.S. securities. FMR normally invests the fund's assets primarily in common stocks.

FMR normally allocates the fund's investments across different countries and regions.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

In addition to the principal investment strategies discussed above, FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Europe Fund** seeks growth of capital over the long term.

FMR normally invests at least 80% of the fund's assets in securities of European issuers and other investments that are tied economically to Europe. Europe includes all member countries of the European Union, Norway, Switzerland, and certain European countries with low- to middle-income economies as classified by the World Bank. FMR normally invests the fund's assets primarily in common stocks.

FMR normally allocates the fund's investments across different European countries.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

In addition to the principal investment strategies discussed above, FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Japan Fund** seeks long-term growth of capital.

FMR normally invests at least 80% of the fund's assets in securities of Japanese issuers and other investments that are tied economically to Japan. FMR normally invests the fund's assets primarily in common stocks.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

In addition to the principal investment strategies discussed above, FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Overseas Fund** seeks long-term growth of capital.

FMR normally invests at least 80% of the fund's assets in non-U.S. securities. FMR normally invests the fund's assets primarily in common stocks.

FMR normally allocates the fund's investments across different countries and regions.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

In addition to the principal investment strategies discussed above, FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Southeast Asia Fund** seeks capital appreciation.

FMR normally invests at least 80% of the fund's assets in securities of Southeast Asian issuers and other investments that are tied economically to Southeast Asia. Southeast Asia includes Hong Kong, Indonesia, South Korea, Malaysia, the Philippines, the People's Republic of China, Singapore, Taiwan, and Thailand. FMR normally invests the fund's assets primarily in common stocks.

FMR normally allocates the fund's investments across different Southeast Asian countries.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

In addition to the principal investment strategies discussed above, FMR may lend the fund's securities to broker-dealers or other institutions to earn income for the fund.

## Fund Basics – continued

FMR may also use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices or other factors that affect security values. If FMR's strategies do not work as intended, the fund may not achieve its objective.

### Investment-Grade Fixed-Income Funds

**Fidelity Government Income Fund** seeks a high level of current income, consistent with preservation of principal.

FMR normally invests the fund's assets in U.S. Government securities and instruments related to U.S. Government securities. Certain issuers of U.S. Government securities are sponsored or chartered by Congress but their securities are neither issued nor guaranteed by the U.S. Treasury. FMR normally invests at least 80% of the fund's assets in U.S. Government securities and repurchase agreements for those securities. FMR does not currently intend to invest more than 40% of the fund's assets in mortgage securities.

FMR uses the Lehman Brothers 75% U.S. Government/25% U.S. Mortgage-Backed Securities Index as a guide in structuring the fund and selecting its investments. FMR manages the fund to have similar overall interest rate risk to the index.

FMR considers other factors when selecting the fund's investments, including the credit quality of the issuer, security-specific features, current valuation relative to alternatives in the market, short-term trading opportunities resulting from market inefficiencies, and potential future valuation. In managing the fund's exposure to various risks, including interest rate risk, FMR considers, among other things, the market's overall risk characteristics, the market's current pricing of those risks, information on the fund's competitive universe and internal views of potential future market conditions.

FMR allocates the fund's assets among different market sectors (for example, U.S. Treasury or U.S. Government agency securities) and different maturities based on its view of the relative value of each sector or maturity.

FMR may engage in transactions that have a leveraging effect on the fund, including investments in derivatives, regardless of whether the fund may own the asset, instrument or components of the index underlying the derivative, and forward-settling securities. FMR may invest a significant portion of the fund's assets in these types of investments.

If FMR's strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Intermediate Bond Fund** seeks a high level of current income.

FMR normally invests at least 80% of the fund's assets in investment-grade debt securities (those of medium and high quality) of all types and repurchase agreements for those securities.

FMR uses the Lehman Brothers Intermediate U.S. Government/Credit Index as a guide in structuring the fund and selecting its investments. FMR manages the fund to have similar overall interest rate risk to the index.

FMR considers other factors when selecting the fund's investments, including the credit quality of the issuer, security-specific features, current valuation relative to alternatives in the market, short-term trading opportunities resulting from market inefficiencies, and potential future valuation. In managing the fund's exposure to various risks, including interest rate risk, FMR considers, among other things, the market's overall risk characteristics, the market's current pricing of those risks, information on the fund's competitive universe and internal views of potential future market conditions.

In addition, the fund normally maintains a dollar-weighted average maturity between three and 10 years. As of August 31, 2007, the fund's dollar-weighted average maturity was approximately 3.8 years and the index's dollar-weighted average maturity was approximately 4.6 years. In determining a security's maturity for purposes of calculating the fund's average maturity, an estimate of the average time for its principal to be paid may be used. This can be substantially shorter than its stated maturity.

FMR allocates the fund's assets among different market sectors (for example, corporate, asset-backed, or government securities) and different maturities based on its view of the relative value of each sector or maturity.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

FMR may engage in transactions that have a leveraging effect on the fund, including investments in derivatives, regardless of whether the fund may own the asset, instrument or components of the index underlying the derivative, and forward-settling securities. FMR may invest a significant portion of the fund's assets in these types of investments.

To earn additional income for the fund, FMR may use a trading strategy that involves selling (or buying) mortgage securities and simultaneously agreeing to purchase (or sell) mortgage securities on a later date at a set price. This trading strategy may increase interest rate exposure and result in an increased turnover of the fund's portfolio which increases transaction costs and may increase taxable gains.

FMR uses central funds to help invest the fund's assets. Central funds are specialized investment vehicles managed by FMR affiliates that are designed to be used by Fidelity funds. Fidelity uses them to invest in particular security types or investment disciplines; for example, rather than buying bonds directly the fund might invest in a central fund that buys bonds. Fidelity does not charge any additional management fees for central funds. Central funds offer exposure to some or all of the following types of investment-grade and lower-quality debt securities: corporate bonds, mortgage and other asset-backed securities, floating rate loans, and BB-rated securities. Central funds may also focus on other types of securities.

In addition to the principal investment strategies discussed above, FMR may invest the fund's assets in lower-quality debt securities.

If FMR's strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Investment Grade Bond Fund** seeks a high level of current income.

FMR normally invests at least 80% of the fund's assets in investment-grade debt securities (those of medium and high quality) of all types and repurchase agreements for those securities.

FMR uses the Lehman Brothers U.S. Aggregate Index as a guide in structuring the fund and selecting its investments. FMR manages the fund to have similar overall interest rate risk to the index.

FMR considers other factors when selecting the fund's investments, including the credit quality of the issuer, security-specific features, current valuation relative to alternatives in the market, short-term trading opportunities resulting from market inefficiencies, and potential future valuation. In managing the fund's exposure to various risks, including interest rate risk, FMR considers, among other things, the market's overall risk characteristics, the market's current pricing of those risks, information on the fund's competitive universe and internal views of potential future market conditions.

FMR allocates the fund's assets among different market sectors (for example, corporate, asset-backed, or government securities) and different maturities based on its view of the relative value of each sector or maturity.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

FMR may engage in transactions that have a leveraging effect on the fund, including investments in derivatives, regardless of whether the fund may own the asset, instrument or components of the index underlying the derivative, and forward-settling securities. FMR may invest a significant portion of the fund's assets in these types of investments.

FMR may also invest up to 10% of the fund's assets in lower-quality debt securities.

To earn additional income for the fund, FMR may use a trading strategy that involves selling (or buying) mortgage securities and simultaneously agreeing to purchase (or sell) mortgage securities on a later date at a set price. This trading strategy may increase interest rate exposure and result in an increased turnover of the fund's portfolio which increases transaction costs and may increase taxable gains.

FMR uses central funds to help invest the fund's assets. Central funds are specialized investment vehicles managed by FMR affiliates that are designed to be used by Fidelity funds. Fidelity uses them to invest in particular security types or investment disciplines; for example, rather than buying bonds directly the fund might invest in a central fund that buys bonds. Fidelity does not charge any additional management fees for central funds. Central funds offer exposure to some or all of the following types of investment-grade and lower-quality debt securities: corporate bonds, mortgage and other asset-backed securities, floating rate loans, and BB-rated securities. Central funds may also focus on other types of securities.

If FMR's strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Strategic Real Return Fund** seeks real return consistent with reasonable investment risk.

FMR defines real return as total return reduced by the expected impact of inflation. In seeking real return, FMR expects to allocate the fund's assets among four general investment categories: inflation-protected debt securities, floating rate loans, commodity-linked notes and related investments, and REITs and other real estate related investments.

The fund's neutral mix, or the benchmark for its combination of investments in each category over time, is approximately 30% inflation-protected debt securities, 25% floating rate loans, 25% commodity-linked notes and related investments, and 20% REITs and other real estate related investments. FMR regularly reviews the fund's allocation and makes changes gradually over time to favor investments that it believes provide the most favorable outlook for achieving the fund's objective. By allocating investments across different types of securities, FMR attempts to moderate the significant risks of each category through diversification.

The *floating rate loan* category includes floating rate loans, many of which are lower quality, and other floating rate securities such as money market securities, repurchase agreements, and shares of money market and short-term bond funds. The *inflation-protected debt* category includes U.S. dollar-denominated inflation-protected debt securities such as those issued by the U.S. Treasury, inflation-protected debt securities issued by other U.S. Government agencies and instrumentalities and other entities such as corporations and foreign governments, mortgage and other debt securities, swaps, and futures. The *commodity-linked notes and related investments* category includes notes and other commodity-linked investments that seek to track all or part of the performance of an index chosen by FMR to represent the commodities market, as well as short-term investment-grade debt securities. As of September 30, 2007, FMR was using the Dow Jones AIG Commodity Index Total Return to represent the commodities market. The *REIT and other real estate related investments* category includes common and preferred stocks of REITs that either own properties or make construction or mortgage loans, mortgage securities, and other debt and equity securities of real estate developers, companies with substantial real estate holdings, and other companies whose products and services are related to the real estate industry.

FMR may engage in transactions that have a leveraging effect on the fund, including investments in derivatives, regardless of whether the fund may own the asset, instrument or components of the index underlying the derivative, and forward-settling securities. FMR may invest a significant portion of the fund's assets in these types of investments.

In buying and selling debt securities for the fund, FMR generally analyzes a security's structural features and current price compared to its long-term value. In selecting foreign securities, FMR's analysis also considers the credit, currency, and economic risks associated with the security and the country of its issuer. FMR may also consider an issuer's potential for success in light of its current

## Fund Basics – continued

financial condition, its industry position, and economic and market conditions. In buying and selling equity securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include growth potential, earnings estimates, and management.

FMR uses central funds to help invest the fund's assets. Central funds are specialized investment vehicles managed by FMR affiliates that are designed to be used by Fidelity funds. Fidelity uses them to invest in particular security types or investment disciplines; for example, rather than buying bonds directly the fund might invest in a central fund that buys bonds. Fidelity does not charge any additional management fees for central funds. Central funds offer exposure to some or all of the following types of investment-grade and lower-quality debt securities: corporate bonds, mortgage and other asset-backed securities, floating rate loans, and BB-rated securities. Central funds may also focus on other types of securities.

If FMR's strategies do not work as intended, the fund may not achieve its objective.

**Fidelity Total Bond Fund** seeks a high level of current income.

FMR normally invests at least 80% of the fund's assets in debt securities of all types and repurchase agreements for those securities. FMR allocates the fund's assets across investment-grade, high yield, and emerging market debt securities. FMR may invest up to 20% of the fund's assets in high yield and emerging market debt securities.

FMR uses the Lehman Brothers U.S. Universal Index as a guide in structuring the fund and selecting its investments. FMR uses the index as a guide in allocating the fund's assets across the investment-grade, high yield, and emerging market asset classes. FMR manages the fund to have similar overall interest rate risk to the index. As of August 31, 2007, the Lehman Brothers U.S. Universal Index was composed of approximately 92% investment-grade, 6% high yield, and 2% non-investment-grade emerging market debt securities.

FMR considers other factors when selecting the fund's investments, including the credit quality of the issuer, security-specific features, current valuation relative to alternatives in the market, short-term trading opportunities resulting from market inefficiencies, and potential future valuation. In managing the fund's exposure to various risks, including interest rate risk, FMR considers, among other things, the market's overall risk characteristics, the market's current pricing of those risks, information on the fund's competitive universe and internal views of potential future market conditions.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

FMR may engage in transactions that have a leveraging effect on the fund, including investments in derivatives, regardless of whether the fund may own the asset, instrument or components of the index underlying the derivative, and forward-settling securities. FMR may invest a significant portion of the fund's assets in these types of investments.

FMR allocates the fund's assets among different asset classes using the composition of the index as a guide, and among different market sectors (for example, corporate, asset-backed, or government securities) and different maturities based on its view of the relative value of each sector or maturity.

Because the fund is considered non-diversified, FMR may invest a significant percentage of the fund's assets in a single issuer.

In selecting foreign securities, FMR's analysis also considers the credit, currency, and economic risks associated with the security and the country of its issuer. FMR may also consider an issuer's potential for success in light of its current financial condition, its industry position, and economic and market conditions.

To earn additional income for the fund, FMR may use a trading strategy that involves selling (or buying) mortgage securities and simultaneously agreeing to purchase (or sell) mortgage securities on a later date at a set price. This trading strategy may increase interest rate exposure and result in an increased turnover of the fund's portfolio which increases transaction costs and may increase taxable gains.

FMR uses central funds to help invest the fund's assets. Central funds are specialized investment vehicles managed by FMR affiliates that are designed to be used by Fidelity funds. Fidelity uses them to invest in particular security types or investment disciplines; for example, rather than buying bonds directly the fund might invest in a central fund that buys bonds. Fidelity does not charge any additional management fees for central funds. Central funds offer exposure to some or all of the following types of investment-grade and lower-quality debt securities: corporate bonds, mortgage and other asset-backed securities, floating rate loans, and BB-rated securities. Central funds may also focus on other types of securities.

If FMR's strategies do not work as intended, the fund may not achieve its objective.

### High Yield Fixed-Income Funds

**Fidelity Capital & Income Fund** seeks to provide a combination of income and capital growth.

FMR invests the fund's assets in equity and debt securities. FMR has the flexibility to invest the fund's assets in securities of any type or quality, including defaulted securities, but expects to invest the majority of the fund's assets in debt securities and convertible securities, with an emphasis on lower-quality debt securities. Many lower-quality debt securities are subject to legal or contractual restrictions limiting FMR's ability to resell the securities to the general public. FMR may invest in companies whose financial condition is troubled or uncertain and that may be involved in bankruptcy proceedings, reorganizations, or financial restructurings.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic



and market conditions. Factors considered include a security's structural features and current price compared to its long-term value, and the earnings potential, credit standing, and management of the security's issuer.

In addition to the principal investment strategies discussed above, FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices, interest rates, or other factors that affect security values. FMR may invest the fund's assets in investment-grade debt securities by investing in other funds. If FMR's strategies do not work as intended, the fund may not achieve its objective.

**Fidelity High Income Fund** seeks a high level of current income. Growth of capital may also be considered.

FMR normally invests the fund's assets primarily in income-producing debt securities, preferred stocks, and convertible securities, with an emphasis on lower-quality debt securities. Many lower-quality debt securities are subject to legal or contractual restrictions limiting FMR's ability to resell the securities to the general public. FMR may also invest the fund's assets in non-income producing securities, including defaulted securities and common stocks. FMR currently intends to limit common stocks to 10% of the fund's total assets. FMR may invest in companies whose financial condition is troubled or uncertain and that may be involved in bankruptcy proceedings, reorganizations, or financial restructurings.

FMR uses the credit quality distribution of an index representing the overall high yield bond market as a guide in structuring the fund's credit quality composition. FMR generally expects the fund to be less heavily invested in issuers with the lowest credit ratings than the index weighting of such issuers. As of April 30, 2007, FMR used the Merrill Lynch U.S. High Yield Master II Constrained Index to represent the overall high yield bond market.

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

In buying and selling securities for the fund, FMR relies on fundamental analysis of each issuer and its potential for success in light of its current financial condition, its industry position, and economic and market conditions. Factors considered include a security's structural features and current price compared to its long-term value, and the earnings potential, credit standing, and management of the security's issuer.

In addition to the principal investment strategies discussed above, FMR may use various techniques, such as buying and selling futures contracts and exchange traded funds, to increase or decrease the fund's exposure to changing security prices, interest rates, or other factors that affect security values. FMR may invest the fund's assets in investment-grade debt securities by investing in other funds. If FMR's strategies do not work as intended, the fund may not achieve its objective.

## Short-Term Funds

**Institutional Money Market Portfolio** seeks to obtain as high a level of current income as is consistent with the preservation of principal and liquidity within the limitations prescribed for the fund.

FMR invests the fund's assets in the highest-quality U.S. dollar-denominated money market securities of domestic and foreign issuers, U.S. Government securities, and repurchase agreements. FMR also may enter into reverse repurchase agreements for the fund. Securities are "highest-quality" if rated in the highest category by at least two nationally recognized rating services or by one if only one rating service has rated a security, or, if unrated, determined to be of equivalent quality by FMR.

FMR will invest more than 25% of the fund's total assets in the financial services industries.

In buying and selling securities for the fund, FMR complies with industry-standard regulatory requirements for money market funds regarding the quality, maturity, and diversification of the fund's investments. FMR stresses maintaining a stable \$1.00 share price, liquidity, and income.

**Fidelity Short-Term Bond Fund** seeks to obtain a high level of current income consistent with preservation of capital.

FMR normally invests at least 80% of the fund's assets in investment-grade debt securities (those of medium and high quality) of all types and repurchase agreements for those securities.

FMR uses the Lehman Brothers 1-3 Year U.S. Government/Credit Index as a guide in structuring the fund and selecting its investments. FMR manages the fund to have similar overall interest rate risk to the index.

FMR considers other factors when selecting the fund's investments, including the credit quality of the issuer, security-specific features, current valuation relative to alternatives in the market, short-term trading opportunities resulting from market inefficiencies, and potential future valuation. In managing the fund's exposure to various risks, including interest rate risk, FMR considers, among other things, the market's overall risk characteristics, the market's current pricing of those risks, information on the fund's competitive universe and internal views of potential future market conditions.

In addition, the fund normally maintains a dollar-weighted average maturity of three years or less. As of August 31, 2007, the fund's dollar-weighted average maturity was approximately 2.5 years and the index's dollar-weighted average maturity was approximately 1.9 years. In determining a security's maturity for purposes of calculating the fund's average maturity, an estimate of the average time for its principal to be paid may be used. This can be substantially shorter than its stated maturity.

FMR allocates the fund's assets among different market sectors (for example, corporate, asset-backed, or government securities) and different maturities based on its view of the relative value of each sector or maturity.

## Fund Basics – continued

FMR may invest the fund's assets in securities of foreign issuers in addition to securities of domestic issuers.

FMR may engage in transactions that have a leveraging effect on the fund, including investments in derivatives, regardless of whether the fund may own the asset, instrument or components of the index underlying the derivative, and forward-settling securities. FMR may invest a significant portion of the fund's assets in these types of investments.

To earn additional income for the fund, FMR may use a trading strategy that involves selling (or buying) mortgage securities and simultaneously agreeing to purchase (or sell) mortgage securities on a later date at a set price. This trading strategy may increase interest rate exposure and result in an increased turnover of the fund's portfolio which increases transaction costs and may increase taxable gains.

FMR uses central funds to help invest the fund's assets. Central funds are specialized investment vehicles managed by FMR affiliates that are designed to be used by Fidelity funds. Fidelity uses them to invest in particular security types or investment disciplines; for example, rather than buying bonds directly the fund might invest in a central fund that buys bonds. Fidelity does not charge any additional management fees for central funds. Central funds offer exposure to some or all of the following types of investment-grade and lower-quality debt securities: corporate bonds, mortgage and other asset-backed securities, floating rate loans, and BB-rated securities. Central funds may also focus on other types of securities.

If FMR's strategies do not work as intended, the fund may not achieve its objective.

### **Principal Investment Risks**

Many factors affect each Freedom Fund's performance. Each Freedom Fund's share price and Freedom Income's yield change daily based on the performance of the underlying Fidelity funds in which it invests. The ability of each Freedom Fund to meet its investment objective is directly related to its target asset allocation among underlying Fidelity funds and the ability of those funds to meet their investment objectives. If Strategic Advisers' asset allocation strategy does not work as intended, a Freedom Fund may not achieve its objective. When you sell your shares they may be worth more or less than what you paid for them, which means that you could lose money.

There is additional risk for each Freedom Fund with respect to aggregation of holdings of underlying Fidelity fund holdings, which may result in a Freedom Fund indirectly concentrating assets in a particular industry or group of industries, or in a single issuer. Such indirect concentration may have the effect of increasing the volatility of the Freedom Fund's returns. The Freedom Funds do not control the investments of the underlying Fidelity funds and any indirect concentration is a result of the underlying Fidelity funds pursuing their own investment objectives.

Each Freedom Fund is exposed to the risks associated with the underlying funds in which it invests. The following factors can significantly affect a Freedom Fund's performance:

**Stock Market Volatility.** The value of equity securities fluctuates in response to issuer, political, market, and economic developments. In the short term, equity prices can fluctuate dramatically in response to these developments. Different parts of the market and different types of equity securities can react differently to these developments. For example, large cap stocks can react differently from small cap stocks, and "growth" stocks can react differently from "value" stocks. Issuer, political, or economic developments can affect a single issuer, issuers within an industry or economic sector or geographic region, or the market as a whole. Terrorism and related geopolitical risks have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally.

**Floating Rate Loan Trading.** The value of the collateral securing a floating rate loan can decline, be insufficient to meet the obligations of the borrower, or be difficult to liquidate. As a result, a floating rate loan may not be fully collateralized and can decline significantly in value. Floating rate loans generally are subject to legal or contractual restrictions on resale. The liquidity of floating rate loans, including the volume and frequency of secondary market trading in such loans, varies significantly over time and among individual floating rate loans. For example, if the credit quality of a floating rate loan unexpectedly declines significantly, secondary market trading in that floating rate loan can also decline for a period of time. During periods of infrequent trading, valuing a floating rate loan can be more difficult, and buying and selling a floating rate loan at an acceptable price can be more difficult and delayed. Difficulty in selling a floating rate loan can result in a loss.

**Interest Rate Changes.** Debt and money market securities have varying levels of sensitivity to changes in interest rates. In general, the price of a debt or money market security can fall when interest rates rise and can rise when interest rates fall. Securities with longer maturities, mortgage securities, and the securities of issuers in the financial services sector can be more sensitive to interest rate changes. In other words, the longer the maturity of a security, the greater the impact a change in interest rates could have on the security's price. In addition, short-term and long-term interest rates do not necessarily move in the same amount or the same direction. Short-term securities tend to react to changes in short-term interest rates, and long-term securities tend to react to changes in long-term interest rates. Inflation-protected debt securities may react differently from other types of debt securities and tend to react to changes in "real" interest rates. Real interest rates represent nominal (stated) interest rates reduced by the expected impact of inflation. In general, the price of an inflation-protected debt security can fall when real interest rates rise, and can rise when real interest rates fall. Interest payments on inflation-protected debt securities can be unpredictable and will vary as the principal and/or interest is adjusted for inflation. Commodity-linked instruments may react differently from other types of debt securities because the payment at maturity is based on the movement of all or part of the commodities index.



**Foreign Exposure.** Foreign securities, foreign currencies, and securities issued by U.S. entities with substantial foreign operations, and securities for which an entity located in a foreign country provides credit support or a maturity-shortening structure can involve additional risks relating to political, economic, or regulatory conditions in foreign countries. These risks include fluctuations in foreign currencies; withholding or other taxes; trading, settlement, custodial, and other operational risks; and the less stringent investor protection and disclosure standards of some foreign markets. All of these factors can make foreign investments especially those in emerging markets, more volatile and potentially less liquid than U.S. investments. In addition, foreign markets can perform differently from the U.S. market.

Investing in emerging markets can involve risks in addition to and greater than those generally associated with investing in more developed foreign markets. The extent of economic development; political stability; market depth, infrastructure, and capitalization; and regulatory oversight can be less than in more developed markets. Emerging market economies can be subject to greater social, economic, regulatory, and political uncertainties. All of these factors can make emerging market securities more volatile and potentially less liquid than securities issued in more developed markets.

**Geographic Exposure.** Social, political, and economic conditions and changes in regulatory, tax, or economic policy in a country or region could significantly affect the market in that country or region. In addition, global economies and financial markets are becoming increasingly interconnected, which increases the possibilities that conditions in one country or region might adversely impact the issuers of securities in a different country or region. From time to time, a small number of companies and industries may represent a large portion of the market in a particular country or region, and these companies and industries can be sensitive to adverse social, political, economic, or regulatory developments.

**Asia.** Asia includes countries in all stages of economic development, from the highly developed economy of Japan to the emerging market economy of China. Most Asian economies are characterized by over-extension of credit, frequent currency fluctuations, devaluations, and restrictions, rising unemployment, rapid fluctuation in, among other things, inflation, reliance on exports, and less efficient markets. Currency devaluations in any one country can have a significant effect on the entire region. Recently, the markets in each Asian country have suffered significant downturns as well as significant volatility. Furthermore, increased political and social unrest in some Asian countries could cause further economic and market uncertainty in the entire region.

**Japan.** The Japanese economy is characterized by government intervention and protectionism, and an unstable financial services sector. Also, the Japanese economy could be recovering from a long recession, although uncertainties about its recovery remain. International trade, government support of the financial services sector and other troubled sectors, consistent government policy, natural disasters, and geo-political developments can significantly affect economic growth. A significant portion of Japan's trade is conducted with developing nations, almost all of which are in East and Southeast Asia.

**Southeast Asia.** Most economies in Southeast Asia are generally considered emerging markets and may be intertwined, so they may experience recessions at the same time. Furthermore, many of the Southeast Asian economies are characterized by high inflation, undeveloped financial services sectors, heavy reliance on international trade, frequent currency fluctuations, devaluations, or restrictions, political and social instability, and less efficient markets.

**Europe.** Europe includes both developed and emerging markets. Most developed countries in Western Europe are members of the European Union (EU), and many are also members of the European Economic and Monetary Union (EMU). European countries can be significantly affected by the tight fiscal and monetary controls that the EMU imposes on its members or requires candidates for EMU imposes on its members or requires candidates for EMU membership to comply with. Unemployment in Europe has historically been higher than in the United States. Eastern European countries generally continue to move toward market economies. However, their markets remain relatively undeveloped and can be particularly sensitive to social, political, and economic developments.

**Industry Exposure.** Market conditions, interest rates, and economic, regulatory, or financial developments could significantly affect a single industry or a group of related industries, and the securities of companies in that industry or group of industries could react similarly to these or other developments. In addition, from time to time, a small number of companies may represent a large portion of a single industry or a group of related industries as a whole, and these companies can be sensitive to adverse economic, regulatory, or financial developments.

Companies in the *financial services* industries are highly dependent on the supply of short-term financing. The value of securities of issuers in the financial services industries can be sensitive to changes in government regulation and interest rates and to economic downturns in the United States and abroad.

The *real estate* industry is particularly sensitive to economic downturns. The value of securities of issuers in the real estate industry, including REITs, can be affected by changes in real estate values and rental income, property taxes, interest rates, tax and regulatory requirements, and the management skill and creditworthiness of the issuer. In addition, the value of a REIT can depend on the structure of and cash flow generated by the REIT, and REITs may not have diversified holdings. Because REITs are pooled investment vehicles that have expenses of their own, the fund will indirectly bear its proportionate share of those expenses.

The *technology* industries can be significantly affected by obsolescence of existing technology, short product cycles, falling prices and profits, competition from new market entrants, and general economic conditions.

**Prepayment.** Many types of debt securities, including mortgage securities, inflation-protected debt securities, and floating rate loans, are subject to prepayment risk. Prepayment risk occurs when the issuer of a security can repay principal prior to the security's maturity. Securities subject to prepayment can offer less

## Fund Basics – continued

potential for gains during a declining interest rate environment and similar or greater potential for loss in a rising interest rate environment. In addition, the potential impact of prepayment features on the price of a debt security can be difficult to predict and result in greater volatility.

**Issuer-Specific Changes.** Changes in the financial condition of an issuer or counterparty, changes in specific economic or political conditions that affect a particular type of security or issuer, and changes in general economic or political conditions can affect a security's or instrument's credit quality or value. Entities providing credit support or a maturity-shortening structure also can be affected by these types of changes. If the structure of a security fails to function as intended, the security could decline in value. Lower-quality debt securities (those of less than investment-grade quality, also referred to as high yield debt securities) and certain types of other securities tend to be particularly sensitive to these changes.

Lower-quality debt securities and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer. The value of lower-quality debt securities and certain types of other securities often fluctuates in response to company, political, or economic developments and can decline significantly over short periods of time or during periods of general or regional economic difficulty. Lower-quality debt securities can be thinly traded or have restrictions on resale, making them difficult to sell at an acceptable price. The default rate for lower-quality debt securities is likely to be higher during economic recessions or periods of high interest rates.

**Leverage Risk.** Derivatives and forward-settling securities involve leverage because they can provide investment exposure in an amount exceeding the initial investment. A small change in the underlying asset, instrument, or index can lead to a significant loss. Assets segregated to cover these transactions may decline in value and are not available to meet redemptions. Forward-settling securities also involve the risk that a security will not be issued, delivered, or paid for when anticipated.

**"Growth" Investing.** "Growth" stocks can react differently to issuer, political, market, and economic developments than the market as a whole and other types of stocks. "Growth" stocks tend to be more expensive relative to their earnings or assets compared to other types of stocks. As a result, "growth" stocks tend to be sensitive to changes in their earnings and more volatile than other types of stocks.

**"Value" Investing.** "Value" stocks can react differently to issuer, political, market, and economic developments than the market as a whole and other types of stocks. "Value" stocks tend to be inexpensive relative to their earnings or assets compared to other types of stocks. However, "value" stocks can continue to be inexpensive for long periods of time and may not ever realize their full value.

**Quantitative Investing.** The value of securities selected using quantitative analysis can react differently to issuer, political, market, and economic developments than the market as a whole or securities selected using only fundamental analysis. The factors

used in quantitative analysis and the weight placed on those factors may not be predictive of a security's value. In addition, factors that affect a security's value can change over time and these changes may not be reflected in the quantitative model.

**Mid Cap Investing.** The value of securities of medium size, less well-known issuers can be more volatile than that of relatively larger issuers and can react differently to issuer, political, market, and economic developments than the market as a whole and other types of stocks.

**Small Cap Investing.** The value of securities of smaller, less well-known issuers can be more volatile than that of larger issuers and can react differently to issuer, political, market, and economic developments than the market as a whole and other types of stocks. Smaller issuers can have more limited product lines, markets, and financial resources.

**Commodity-Linked Investing.** The performance of commodity-linked notes and related investments may depend on the performance of the overall commodities markets and on other factors that affect the value of commodities, including weather, disease, political, tax, and other regulatory developments. Commodity-linked investments may be hybrid instruments that can have substantial risk of loss with respect to both principal and interest. Commodity-linked investments may be more volatile and less liquid than the underlying instruments or measures, are subject to the credit risks associated with the issuer, and their values may decline substantially if the issuer's creditworthiness deteriorates.

In response to market, economic, political, or other conditions, Strategic Advisers may temporarily use a different investment strategy for defensive purposes. If Strategic Advisers does so, different factors could affect a Freedom Fund's performance and the fund may not achieve its investment objective.

## Fundamental Investment Policies

The policies discussed below are fundamental, that is, subject to change only by shareholder approval.

**Freedom Income Fund** seeks high current income and, as a secondary objective, capital appreciation.

Each of **Freedom 2000 Fund, Freedom 2005 Fund, Freedom 2010 Fund, Freedom 2015 Fund, Freedom 2020 Fund, Freedom 2025 Fund, Freedom 2030 Fund, Freedom 2035 Fund, Freedom 2040 Fund, Freedom 2045 Fund, and Freedom 2050 Fund** seeks high total return until its target retirement date. Thereafter the fund's objective will be to seek high current income and, as a secondary objective, capital appreciation.

## Valuing Shares

Each fund is open for business each day the New York Stock Exchange (NYSE) is open.

Each fund's net asset value per share (NAV) is the value of a single share. Fidelity normally calculates each fund's NAV as of the close of business of the NYSE, normally 4:00 p.m. Eastern time. Each

fund's assets normally are valued as of this time for the purpose of computing the fund's NAV.

NAV is not calculated and a fund will not process purchase and redemption requests submitted on days when the fund is not open for business. The time at which shares are priced and until which purchase and redemption orders are accepted may be changed as permitted by the Securities and Exchange Commission (SEC).

To the extent that each fund's assets are traded in other markets on days when the fund is not open for business, the value of the fund's assets may be affected on those days. In addition, trading in some of a fund's assets may not occur on days when the fund is open for business.

The assets of each Freedom Fund consist primarily of shares of the underlying Fidelity funds, which are valued at their respective NAVs. A money market underlying Fidelity fund's assets are valued on the basis of amortized cost. Other underlying Fidelity fund assets are valued primarily on the basis of market quotations, official closing prices, or on the basis of information furnished by a pricing service. Certain short-term securities are valued on the basis of amortized cost. If market quotations, official closing prices, or information furnished by a pricing service is not readily available or does not accurately reflect fair value for a security held by an underlying Fidelity fund or if the value of a security held by an underlying Fidelity fund has been materially affected by events occurring before a fund's pricing time but after the close of the exchange or market on which the security is principally traded, that security will be valued by another method that the Board of Trustees believes accurately reflects fair value in accordance with the Board's fair value pricing policies. For example, arbitrage opportunities may exist when trading in a portfolio security or securities held by an underlying Fidelity fund is halted and does not resume before the fund calculates its NAV. These arbitrage opportunities may enable short-term traders to dilute the NAV of long-term investors. Securities trading in overseas markets present time zone arbitrage opportunities when events affecting portfolio security values occur after the close of the overseas market but prior to the close of the U.S. market. Fair value pricing may be used for high yield debt and floating rate loans held by an underlying fund, when available pricing information is stale or is determined for other reasons not to accurately reflect fair value. A security's valuation may differ depending on the method used for determining value. Fair valuation of an underlying fund's portfolio securities can serve to reduce arbitrage opportunities available to short-term traders, but there is no assurance that fair value pricing policies will prevent dilution of the fund's NAV by short-term traders. While each Freedom Fund and each underlying fund (other than the money market fund) has policies regarding excessive trading, these too may not be effective to prevent short-term NAV arbitrage trading, particularly in regard to omnibus accounts.

# Shareholder Information

## Buying and Selling Shares

### General Information

Fidelity Investments was established in 1946 to manage one of America's first mutual funds. Today, Fidelity is the largest mutual fund company in the country, and is known as an innovative provider of high-quality financial services to individuals and institutions.

In addition to its mutual fund business, the company operates one of America's leading brokerage firms, Fidelity Brokerage Services LLC. Fidelity is also a leader in providing tax-advantaged retirement plans for individuals investing on their own or through their employer.

You may buy or sell shares of a fund through a Fidelity brokerage account or a Fidelity mutual fund account. If you buy or sell shares of a fund (other than by exchange) through a Fidelity brokerage account, your transactions generally involve your Fidelity brokerage core (a settlement vehicle included as part of your Fidelity brokerage account).

If you do not currently have a Fidelity brokerage account or a Fidelity mutual fund account and would like to invest in a fund, you may need to complete an application. For more information about a Fidelity brokerage account or a Fidelity mutual fund account, please visit Fidelity's web site at [www.fidelity.com](http://www.fidelity.com), call 1-800-FIDELITY, or visit a Fidelity Investor Center (call 1-800-544-9797 for the center nearest you).

You may also buy or sell shares of the funds through a retirement account (such as an IRA or an account funded through salary deduction) or an investment professional. Retirement specialists are available at 1-800-544-4774 to answer your questions about Fidelity retirement products. If you buy or sell shares of a fund through a retirement account or an investment professional, the procedures for buying, selling, and exchanging shares of the fund and the account features and policies may differ from those discussed in this prospectus. Fees in addition to those discussed in this prospectus may also apply. For example, you may be charged a transaction fee if you buy or sell shares of a fund through a non-Fidelity broker or other investment professional.

### Buying and Selling Information

#### Internet

[www.fidelity.com](http://www.fidelity.com)

#### Phone

**Fidelity Automated Service Telephone (FAST®) 1-800-544-5555**

**To reach a Fidelity representative 1-800-544-6666**

#### Mail

##### Additional purchases:

**Fidelity Investments**

**P.O. Box 770001**

**Cincinnati, OH 45277-0003**

##### Redemptions:

**Fidelity Investments**

**P.O. Box 770001**

**Cincinnati, OH 45277-0035**

#### TDD – Service for the Deaf and Hearing Impaired

**1-800-544-0118**

**(9:00 a.m. – 9:00 p.m. Eastern time)**

**You should include the following information with any order to buy, sell, or exchange shares:**

- Your name;
- Your account number;
- Name of fund whose shares you want to buy or sell; and
- Dollar amount or number of shares you want to buy or sell.

Certain methods of contacting Fidelity, such as by telephone or electronically, may be unavailable or delayed (for example, during periods of unusual market activity). In addition, the level and type of service available may be restricted based on criteria established by Fidelity.

### Minimums

#### Initial Purchase **\$2,500**

For Fidelity Simplified Employee Pension-IRA and Keogh accounts, and Non-Fidelity Prototype Retirement accounts **\$500**

Through regular investment plans in Fidelity Traditional IRAs, Roth IRAs, and Rollover IRAs<sup>A</sup> **\$200**

#### Subsequent Purchase **\$250**

Through regular investment plans **\$100**

#### Balance **\$2,000**

For Fidelity Simplified Employee Pension-IRA and Keogh accounts, and Non-Fidelity Prototype Retirement accounts **\$500**

<sup>A</sup> Requires monthly purchases of \$200 until fund balance is \$2,500 worth of shares.

There is no minimum balance or initial or subsequent purchase minimum for investments through Portfolio Advisory Services<sup>SM</sup>, a mutual fund or a qualified tuition program for which FMR or an affiliate serves as investment manager, certain Fidelity retirement accounts funded through salary deduction, or fund positions opened with the proceeds of distributions from such retirement accounts.

In addition, each fund may waive or lower purchase minimums in other circumstances.



## Excessive Trading Policy

A fund may reject for any reason, or cancel as permitted or required by law, any purchase or exchange, including transactions deemed to represent excessive trading, at any time.

Excessive trading of fund shares can harm shareholders in various ways, including reducing the returns to long-term shareholders by increasing costs to a fund (such as brokerage commissions), disrupting portfolio management strategies, and diluting the value of the shares in cases in which fluctuations in markets are not fully priced into the fund's NAV.

The Board of Trustees has adopted policies designed to discourage excessive trading of fund shares. Excessive trading activity in a fund is measured by the number of roundtrip transactions in a shareholder's account. A roundtrip transaction occurs when a shareholder sells fund shares (including exchanges) within 30 days of the purchase date.

Shareholders with two or more roundtrip transactions in a single fund within a rolling 90-day period will be blocked from making additional purchases or exchange purchases of each fund for 85 days. Shareholders with four or more roundtrip transactions across all Fidelity funds within any rolling 12-month period will be blocked for at least 85 days from additional purchases or exchange purchases across all Fidelity funds. Any roundtrip within 12 months of the expiration of a multi-fund block will initiate another multi-fund block. Repeat offenders may be subject to long-term or permanent blocks on purchase or exchange purchase transactions in any account under the shareholder's control at any time. In addition to enforcing these roundtrip limitations, a fund may in its discretion restrict, reject, or cancel any purchases or exchanges that, in FMR's opinion, may be disruptive to the management of that fund or otherwise not be in the fund's interests.

### Exceptions

The following transactions are exempt from the funds' excessive trading policy described above: (i) transactions of \$1,000 or less, (ii) systematic withdrawal and/or contribution programs, (iii) mandatory retirement distributions, and (iv) transactions initiated by a plan sponsor or sponsors of certain employee benefit plans or other related accounts. In addition, each fund's excessive trading policy does not apply to transactions initiated by the trustee or adviser to a donor-advised charitable gift fund, qualified fund of fund(s), or other strategy funds. A qualified fund of fund(s) is a mutual fund, qualified tuition program, or other strategy fund consisting of qualified plan assets that either applies the Fidelity funds' excessive trading policies to shareholders at the fund of fund(s) level, or demonstrates that the fund of fund(s) has an investment strategy coupled with policies designed to control frequent trading that are reasonably likely to be effective as determined by the Fidelity funds' Treasurer.

### Omnibus Accounts

Omnibus accounts, in which shares are held in the name of an intermediary on behalf of multiple investors, are a common form of

holding shares among retirement plans and financial intermediaries such as brokers, advisers, and third-party administrators. Individual trades in omnibus accounts are often not disclosed to a fund, making it difficult to determine whether a particular shareholder is engaging in excessive trading. Excessive trading in omnibus accounts is likely to go undetected by a fund and may increase costs to the fund and disrupt its portfolio management.

Under policies adopted by the Board of Trustees, intermediaries will be permitted to apply the funds' excessive trading policy (described above), or their own excessive trading policy if approved by FMR. In these cases, the fund will typically not request or receive individual account data but will rely on the intermediary to monitor trading activity in good faith in accordance with its or the fund's policies. Reliance on intermediaries increases the risk that excessive trading may go undetected. For other intermediaries, the fund will generally monitor trading activity at the omnibus account level to attempt to identify disruptive trades, focusing on transactions in excess of \$250,000. The fund may request transaction information, as frequently as daily, from any intermediary at any time, and may apply the fund's policy to such transactions exceeding \$5,000. The fund may prohibit purchases of fund shares by an intermediary or by some or all of any intermediary's clients. FMR will apply these policies through a phased implementation. There is no assurance that FMR will request data with sufficient frequency to detect or deter excessive trading in omnibus accounts effectively.

If you purchase or sell fund shares through a financial intermediary, you may wish to contact the intermediary to determine the policies applicable to your account.

### Retirement Plans

For employer-sponsored retirement plans, only participant directed exchanges count toward the roundtrip limits. Employer-sponsored retirement plan participants whose activity triggers a purchase or exchange block will be permitted one trade every calendar quarter. In the event of a block, employer and participant contributions and loan repayments by the participant may still be invested in the fund.

### Qualified Wrap Programs

Each fund will monitor aggregate trading activity of adviser transactions to attempt to identify excessive trading in qualified wrap programs, as defined below. Excessive trading by an adviser will lead to fund blocks and the wrap program will lose its qualified status. Adviser transactions will not be matched with client-directed transactions unless the wrap program ceases to be a qualified wrap program (but all client-directed transactions will be subject to the funds' excessive trading policy). A qualified wrap program is: (i) a program whose adviser certifies that it has investment discretion over \$100 million or more in client assets invested in mutual funds at the time of the certification, (ii) a program in which the adviser directs transactions in the accounts participating in the program in concert with changes in a model portfolio, and (iii) managed by an adviser who agrees to give FMR sufficient information to permit FMR to identify the individual accounts in the wrap program.

## Shareholder Information – continued

### Other Information about the Excessive Trading Policy

Each fund reserves the right at any time to restrict purchases or exchanges or impose conditions that are more restrictive on excessive or disruptive trading than those stated in this prospectus. Each fund's Treasurer is authorized to suspend the funds' policies during periods of severe market turbulence or national emergency. A fund reserves the right to modify its policies at any time without prior notice.

Each fund does not knowingly accommodate frequent purchases and redemptions of fund shares by investors, except to the extent permitted by the policies described above.

As described in "Valuing Shares," each fund also uses fair value pricing to help reduce arbitrage opportunities available to short-term traders. There is no assurance that each fund's excessive trading policy will be effective, or will successfully detect or deter excessive or disruptive trading.

### Buying Shares

The price to buy one share of each fund is the fund's NAV. Each fund's shares are sold without a sales charge.

Your shares will be bought at the next NAV calculated after your investment is received in proper form.

Each fund has authorized certain intermediaries to accept orders to buy shares on its behalf. When authorized intermediaries receive an order in proper form, the order is considered as being placed with the fund, and shares will be bought at the next NAV calculated after the order is received by the authorized intermediary.

Provided a fund receives an order to buy shares in proper form before the close of business, the fund may place an order to buy shares of an underlying Fidelity fund after the close of business, pursuant to a pre-determined allocation, and receive that day's NAV.

Each fund may stop offering shares completely or may offer shares only on a limited basis, for a period of time or permanently.

If you place an order to buy shares and your payment is not received and collected, your purchase may be canceled and you could be liable for any losses or fees a fund or Fidelity has incurred.

Certain financial institutions that have entered into sales agreements with Fidelity Distributors Corporation (FDC) may enter confirmed purchase orders on behalf of customers by phone, with payment to follow no later than the time when fund shares are priced on the following business day. If payment is not received by that time, the order will be canceled and the financial institution could be held liable for resulting fees or losses.

Under applicable anti-money laundering regulations and other federal regulations, purchase orders may be suspended, restricted, or canceled and the monies may be withheld.

### Selling Shares

The price to sell one share of each fund is the fund's NAV.

Your shares will be sold at the next NAV calculated after your order is received in proper form. Normally, redemptions will be processed by the next business day, but it may take up to seven days to pay the redemption proceeds if making immediate payment would adversely affect a fund.

Each fund has authorized certain intermediaries to accept orders to sell shares on its behalf. When authorized intermediaries receive an order in proper form, the order is considered as being placed with the fund, and shares will be sold at the next NAV calculated after the order is received by the authorized intermediary.

Provided a fund receives an order to sell shares in proper form before the close of business, the fund may place an order to sell shares of an underlying Fidelity fund after the close of business, pursuant to a pre-determined allocation, and receive that day's NAV.

Certain requests must include a signature guarantee. It is designed to protect you and Fidelity from fraud. If you hold your shares in a Fidelity mutual fund account and submit your request to Fidelity by mail, your request must be made in writing and include a signature guarantee if any of the following situations apply:

- You wish to sell more than \$100,000 worth of shares;
- The address on your account (record address) has changed within the last 15 or 30 days, depending on your account, and you wish to sell \$10,000 or more of shares;
- You are requesting that a check be mailed to a different address than the record address;
- You are requesting that redemption proceeds be paid to someone other than the account owner; or
- The redemption proceeds are being transferred to a Fidelity mutual fund account with a different registration.

You should be able to obtain a signature guarantee from a bank, broker (including Fidelity Investor Centers), dealer, credit union (if authorized under state law), securities exchange or association, clearing agency, or savings association. A notary public cannot provide a signature guarantee.

When you place an order to sell shares, note the following:

- If you are selling some but not all of your shares, keep your fund balance above \$2,000 worth of shares to keep your fund position open (\$500 for fund balances in Fidelity Simplified Employee Pension-IRA and Keogh accounts, and Non-Fidelity Prototype Retirement accounts), except fund positions not subject to balance minimums.
- Redemption proceeds (other than exchanges) may be delayed until money from prior purchases sufficient to cover your redemption has been received and collected. This can take up to seven business days after a purchase.



- Redemptions may be suspended or payment dates postponed when the NYSE is closed (other than weekends or holidays), when trading on the NYSE is restricted, or as permitted by the SEC.
- Redemption proceeds may be paid in securities or other property rather than in cash if Strategic Advisers determines it is in the best interests of a fund.
- You will not receive interest on amounts represented by uncashed redemption checks.
- If you hold your shares in a Fidelity mutual fund account and your redemption check remains uncashed for more than one year, the check may be invested in additional shares of the fund at the next NAV calculated on the day of the investment.
- Unless otherwise instructed, Fidelity will send a check to the record address.
- Under applicable anti-money laundering regulations and other federal regulations, redemption requests may be suspended, restricted, canceled, or processed and the proceeds may be withheld.

## Exchanging Shares

An exchange involves the redemption of all or a portion of the shares of one fund and the purchase of shares of another fund.

As a shareholder, you have the privilege of exchanging shares of a fund for shares of other Fidelity funds including each of the underlying Fidelity funds.

However, you should note the following policies and restrictions governing exchanges:

- The exchange limit may be modified for accounts held by certain institutional retirement plans to conform to plan exchange limits and Department of Labor regulations. See your retirement plan materials for further information.

- Each fund may refuse any exchange purchase for any reason. For example, each fund may refuse exchange purchases by any person or group if, in FMR's judgment, the fund would be unable to invest the money effectively in accordance with its investment objective and policies, or would otherwise potentially be adversely affected.
- Before exchanging into a fund, read its prospectus.
- The fund you are exchanging into must be available for sale in your state.
- Exchanges may have tax consequences for you.
- If you are exchanging between accounts that are not registered in the same name, address, and taxpayer identification number (TIN), there may be additional requirements.
- Under applicable anti-money laundering regulations and other federal regulations, exchange requests may be suspended, restricted, canceled, or processed and the proceeds may be withheld.

The funds may terminate or modify the exchange privileges in the future.

Other funds may have different exchange restrictions and minimums, and may impose redemption fees of up to 2.00% of the amount exchanged. Check each fund's prospectus for details.

## Features and Policies

### Features

The following features may be available to buy and sell shares of the funds or to move money to and from your account, depending on whether you are investing through a Fidelity brokerage account or a Fidelity mutual fund account. Please visit Fidelity's web site at [www.fidelity.com](http://www.fidelity.com) or call 1-800-544-6666 for more information.

---

### Electronic Funds Transfer: electronic money movement through the Automated Clearing House

- To transfer money between a bank account and a Fidelity brokerage account or Fidelity mutual fund account.
- You can use electronic funds transfer to:
  - Make periodic (automatic) purchases of Fidelity fund shares or payments to your Fidelity brokerage account.
  - Make periodic (automatic) redemptions of Fidelity fund shares or withdrawals from your Fidelity brokerage account.

---

### Wire: electronic money movement through the Federal Reserve wire system

- To transfer money between a bank account and a Fidelity brokerage account or Fidelity mutual fund account.

---

### Automatic Transactions: periodic (automatic) transactions

- To directly deposit all or a portion of your compensation from your employer (or the U.S. Government, in the case of Social Security) into a Fidelity brokerage account or Fidelity mutual fund account.
- To make contributions from a Fidelity mutual fund account to a Fidelity mutual fund IRA.
- To sell shares of a Fidelity money market fund and simultaneously to buy shares of another Fidelity fund in a Fidelity mutual fund account.

## Shareholder Information – continued

### Policies

The following policies apply to you as a shareholder.

**Combination with Freedom Income Fund.** Each Freedom Fund with a target retirement date may be combined with Freedom Income, without a vote of shareholders, if the funds' Board of Trustees determines at the time of the proposed combination that combining the funds is in the best interests of the funds and their shareholders. Prior to a combination, Fidelity will notify shareholders of a Freedom Fund with a target retirement date of the combination and any tax consequences.

**Statements** that Fidelity sends to you include the following:

- Confirmation statements (after transactions affecting your fund balance except reinvestment of distributions in the fund or another fund and certain transactions through automatic investment or withdrawal programs).
- Monthly or quarterly account statements (detailing fund balances and all transactions completed during the prior month or quarter).

To reduce expenses, only one copy of most financial reports and prospectuses may be mailed to households, even if more than one person in a household holds shares of a fund. Call Fidelity at 1-800-544-8544 if you need additional copies of financial reports or prospectuses. If you do not want the mailing of these documents to be combined with those for other members of your household, contact Fidelity in writing at P.O. Box 770001, Cincinnati, Ohio 45277-0002.

Electronic copies of most financial reports and prospectuses are available at Fidelity's web site. To participate in Fidelity's electronic delivery program, call Fidelity or visit Fidelity's web site for more information.

You may initiate many **transactions by telephone or electronically**. Fidelity will not be responsible for any loss, cost, expense, or other liability resulting from unauthorized transactions if it follows reasonable security procedures designed to verify the identity of the investor. Fidelity will request personalized security codes or other information, and may also record calls. For transactions conducted through the Internet, Fidelity recommends the use of an Internet browser with 128-bit encryption. You should verify the accuracy of your confirmation statements upon receipt and notify Fidelity immediately of any discrepancies in your account activity. If you do not want the ability to sell and exchange by telephone, call Fidelity for instructions.

You may be asked to provide additional information in order for Fidelity to verify your identity in accordance with requirements under anti-money laundering regulations. Accounts may be restricted and/or closed, and the monies withheld, pending verification of this information or as otherwise required under these and other federal regulations.

Fidelity may deduct a **small balance maintenance fee** of \$12.00 from a fund balance with a value of less than \$2,000 in shares. It is expected that fund balances will be valued on the

second Friday in November of each calendar year. Fund positions opened after September 30 will not be subject to the fee for that calendar year. The fee, which is payable to Fidelity, is designed to offset in part the relatively higher costs of servicing smaller fund positions. This fee will not be deducted from fund positions opened after January 1 of that calendar year if those positions use regular investment plans.

You will be given 30 days' notice to reestablish the minimum balance if your **fund balance** falls below \$2,000 worth of shares (\$500 for fund balances in Fidelity Simplified Employee Pension-IRA and Keogh accounts, and Non-Fidelity Prototype Retirement accounts), for any reason, including solely due to declines in NAV. If you do not increase your balance, Fidelity may sell all of your shares and send the proceeds to you. Your shares will be sold at the NAV on the day Fidelity closes your fund position. Certain fund positions are not subject to these balance requirements and will not be closed for failure to maintain a minimum balance.

Fidelity may charge a **fee for certain services**, such as providing historical account documents.

### Dividends and Capital Gain Distributions

Each Freedom Fund earns dividends, interest, and other income from its investments, and distributes this income (less expenses) to shareholders as dividends. Each Freedom Fund also realizes capital gains from its investments, and distributes these gains (less any losses) to shareholders as capital gain distributions.

Each Freedom Fund with a target retirement date normally pays dividends and capital gain distributions in May and December.

Freedom Income normally pays dividends monthly and pays capital gain distributions in May and December.

### Distribution Options

When you open an account, specify on your application how you want to receive your distributions. The following distribution options are available for shares of each fund:

**1. Reinvestment Option.** Your dividends and capital gain distributions will be automatically reinvested in additional shares of the fund. If you do not indicate a choice on your application, you will be assigned this option.

**2. Income-Earned Option.** Your capital gain distributions will be automatically reinvested in additional shares of the fund. Your dividends will be paid in cash.

**3. Cash Option.** Your dividends and capital gain distributions will be paid in cash.

**4. Directed Dividends® Option.** Your dividends will be automatically invested in shares of another identically registered Fidelity fund. Your capital gain distributions will be automatically invested in shares of another identically registered Fidelity fund, automatically reinvested in additional shares of the fund, or paid in cash.

If the distribution option you prefer is not listed on your account application, or if you want to change your current distribution option, visit Fidelity's web site at [www.fidelity.com](http://www.fidelity.com) or call 1-800-544-6666 for more information.

If you elect to receive distributions paid in cash by check and the U.S. Postal Service does not deliver your checks, your distribution option may be converted to the Reinvestment Option. You will not receive interest on amounts represented by uncashed distribution checks.

If your dividend check(s) remains uncashed for more than six months, your check(s) may be invested in additional shares of the fund at the next NAV calculated on the day of the investment.

## **Tax Consequences**

As with any investment, your investment in a fund could have tax consequences for you. If you are not investing through a tax-advantaged retirement account, you should consider these tax consequences.

**Taxes on distributions.** Distributions you receive from each fund are subject to federal income tax, and may also be subject to state or local taxes.

For federal tax purposes, certain of each fund's distributions, including dividends and distributions of short-term capital gains, are taxable to you as ordinary income, while certain of each fund's distributions, including distributions of long-term capital gains, are taxable to you generally as capital gains. A percentage of certain distributions of dividends may qualify for taxation at long-term capital gains rates (provided certain holding period requirements are met).

If you buy shares when a fund has realized but not yet distributed income or capital gains, you will be "buying a dividend" by paying the full price for the shares and then receiving a portion of the price back in the form of a taxable distribution.

Any taxable distributions you receive from a fund will normally be taxable to you when you receive them, regardless of your distribution option.

**Taxes on transactions.** Your redemptions, including exchanges, may result in a capital gain or loss for federal tax purposes. A capital gain or loss on your investment in a fund generally is the difference between the cost of your shares and the price you receive when you sell them.

# Fund Services

## Fund Management

Each fund is a mutual fund, an investment that pools shareholders' money and invests it toward a specified goal.

Strategic Advisers is each Freedom Fund's investment manager. The address of Strategic Advisers and its affiliates, unless otherwise indicated below, is 82 Devonshire Street, Boston, Massachusetts 02109.

FMR, an affiliate of Strategic Advisers, is each underlying Fidelity fund's manager.

As of December 31, 2007, Strategic Advisers had approximately \$166.9 billion in discretionary assets under management.

As of December 31, 2007, FMR had approximately \$1.8 billion in discretionary assets under management.

As the manager, Strategic Advisers administers the asset allocation program for each Freedom Fund.

As the manager for the underlying Fidelity funds, FMR is responsible for choosing each fund's investments and handling its business affairs. FMR is also responsible for handling the business affairs for each Freedom Fund.

Christopher Sharpe is co-manager of the Freedom Funds (Income, 2000, 2005, 2010, 2015, 2020, 2025, 2030, 2035, 2040, 2045 and 2050), which he has managed since September 2007. He also manages other Fidelity funds. Prior to joining Fidelity Investments as an asset allocation director in 2002, Mr. Sharpe was an associate investment policy officer for John Hancock Financial Services, Inc. in Boston. From 1990 to 2000, he was with William M. Mercer, Inc. in Boston.

Jonathan Shelon is co-manager of the Freedom Funds. He has managed Income, 2000, 2005, 2010, 2015, 2020, 2025, 2030, 2035, and 2040 since March 2005 and managed 2045 and 2050 since their inception in June 2006. Prior to joining Fidelity Investments in 2001, Mr. Shelon was a quantitative consultant at Callan Associates, Inc.

The statement of additional information (SAI) provides additional information about the compensation of, any other accounts managed by, and any fund shares held by Messrs. Sharpe and Shelon.

From time to time a manager, analyst, or other Fidelity employee may express views regarding a particular company, security, industry, or market sector. The views expressed by any such person are the views of only that individual as of the time expressed and do not necessarily represent the views of Fidelity or any other person in the Fidelity organization. Any such views are subject to change at any time based upon market or other conditions and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Fidelity fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Fidelity fund.

Each Freedom Fund does not pay a management fee to Strategic Advisers.

FMR receives no fee for handling the business affairs for each Freedom Fund and pays the expenses of each Freedom Fund with limited exceptions.

The basis for the Board of Trustees approving the management contract and administration agreement for each fund is available in each fund's semi-annual report for the fiscal period ended September 30, 2007.

## Fund Distribution

FDC distributes each fund's shares.

Intermediaries, including retirement plan sponsors, administrators, and service-providers (who may be affiliated with Strategic Advisers, FMR or FDC), may receive from Strategic Advisers or FMR, FDC, and/or their affiliates compensation for providing recordkeeping and administrative services, as well as other retirement plan expenses, and compensation for services intended to result in the sale of fund shares. These payments are described in more detail on the following pages and in the SAI.

Each Freedom Fund has adopted a Distribution and Service Plan pursuant to Rule 12b-1 under the Investment Company Act of 1940 (1940 Act) that recognizes that Strategic Advisers or FMR may use its past profits or its resources from any other source to pay FDC for expenses incurred in connection with providing services intended to result in the sale of Freedom Fund shares and/or shareholder support services. Strategic Advisers or FMR, directly or through FDC, may pay significant amounts to intermediaries, including retirement plan sponsors, service-providers, and administrators, that provide those services. Currently, the Board of Trustees of each Freedom Fund has authorized such payments. Please speak with your investment professional to learn more about any payments his or her firm may receive from FMR, FDC, and/or their affiliates, as well as fees and/or commissions the investment professional charges. You should also consult disclosures made by your investment professional at the time of purchase.

If payments made by Strategic Advisers or FMR to FDC or to intermediaries under a Distribution and Service Plan were considered to be paid out of a Freedom Fund's assets on an ongoing basis, they might increase the cost of your investment and might cost you more than paying other types of sales charges.

From time to time, FDC may offer special promotional programs to investors who purchase shares of Fidelity funds. For example, FDC may offer merchandise, discounts, vouchers, or similar items to investors who purchase shares of certain Fidelity funds during certain periods. To determine if you qualify for any such programs, contact Fidelity or visit our web site at [www.fidelity.com](http://www.fidelity.com).

No dealer, sales representative, or any other person has been authorized to give any information or to make any representations, other than those contained in this prospectus and in the related SAI, in connection with the offer contained in this prospectus. If given or made, such other information or representations must not be relied upon as having been authorized by the funds or FDC. This prospectus and the related SAI do not constitute an offer by the funds or by FDC to sell shares of the funds to or to buy shares of the funds from any person to whom it is unlawful to make such offer.

# Appendix

## Financial Highlights

The financial highlights tables are intended to help you understand the financial history of each fund's shares for the past 5 years or, if shorter, the period of the fund's operations. Certain information reflects financial results for a single share of a fund. The total returns in the table represent the rate that an investor would have

earned (or lost) on an investment in shares of a fund (assuming reinvestment of all dividends and distributions). This information has been audited by PricewaterhouseCoopers LLP, independent registered public accounting firm, whose report, along with each fund's financial highlights and financial statements, are included in the funds' annual report. A free copy of the annual report is available upon request.

Freedom Income					
Years ended March 31,	2008	2007	2006	2005	2004
<b>Selected Per-Share Data</b>					
Net asset value, beginning of period	\$ 11.66	\$ 11.49	\$ 11.20	\$ 11.24	\$ 10.59
Income from Investment Operations					
Net investment income (loss) <sup>B</sup>	.47	.44	.35	.22	.18
Net realized and unrealized gain (loss)	(.30)	.29	.28	(.01)	.75
Total from investment operations	.17	.73	.63	.21	.93
Distributions from net investment income	(.47)	(.44)	(.31)	(.23)	(.22)
Distributions from net realized gain	(.17)	(.12)	(.03)	(.02)	(.06)
Total distributions	(.64)	(.56)	(.34)	(.25)	(.28)
Net asset value, end of period	\$ 11.19	\$ 11.66	\$ 11.49	\$ 11.20	\$ 11.24
<b>Total Return<sup>A</sup></b>	1.41%	6.54%	5.71%	1.86%	8.87%
<b>Ratios to Average Net Assets<sup>C, D</sup></b>					
Expenses before reductions	.00%	.00%	.01%	.10%	.10%
Expenses net of fee waivers, if any	.00%	.00%	.01%	.08%	.08%
Expenses net of all reductions	.00%	.00%	.01%	.08%	.08%
Net investment income (loss)	4.06%	3.81%	3.07%	1.97%	1.68%
<b>Supplemental Data</b>					
Net assets, end of period (000 omitted)	\$ 2,523,176	\$ 2,376,277	\$ 2,132,031	\$ 1,944,903	\$ 1,753,286
Portfolio turnover rate	33%	26%	18%	7%	6%

<sup>A</sup> Total returns would have been lower had certain expenses not been reduced during the periods shown.

<sup>B</sup> Calculated based on average shares outstanding during the period.

<sup>C</sup> Amounts do not include the activity of the underlying funds.

<sup>D</sup> Expense ratios reflect operating expenses of the Fund. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or expense offset arrangements and do not represent the amount paid by the Fund during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the Fund but do not include expenses of the investment companies in which the Fund invests.

## Appendix – continued

### Freedom 2000

Years ended March 31,	2008	2007	2006	2005	2004
<b>Selected Per-Share Data</b>					
Net asset value, beginning of period	\$ 12.66	\$ 12.41	\$ 12.00	\$ 11.97	\$ 11.01
Income from Investment Operations					
Net investment income (loss) <sup>B</sup>	.48	.44	.36	.24	.21
Net realized and unrealized gain (loss)	(.31)	.38	.40	.02	.99
Total from investment operations	.17	.82	.76	.26	1.20
Distributions from net investment income	(.48)	(.43)	(.33)	(.23)	(.24)
Distributions from net realized gain	(.27)	(.14)	(.02)	—	—
Total distributions	(.75)	(.57)	(.35)	(.23)	(.24)
Net asset value, end of period	\$ 12.08	\$ 12.66	\$ 12.41	\$ 12.00	\$ 11.97
<b>Total Return<sup>A</sup></b>	1.23%	6.72%	6.40%	2.18%	10.97%
<b>Ratios to Average Net Assets<sup>C, D</sup></b>					
Expenses before reductions	.00%	.00%	.01%	.10%	.10%
Expenses net of fee waivers, if any	.00%	.00%	.01%	.08%	.08%
Expenses net of all reductions	.00%	.00%	.01%	.08%	.08%
Net investment income (loss)	3.80%	3.54%	2.98%	2.02%	1.79%
<b>Supplemental Data</b>					
Net assets, end of period (000 omitted)	\$ 1,780,803	\$ 1,694,377	\$ 1,601,127	\$ 1,575,894	\$ 1,592,068
Portfolio turnover rate	36%	34%	20%	11%	7%

<sup>A</sup> Total returns would have been lower had certain expenses not been reduced during the periods shown.

<sup>B</sup> Calculated based on average shares outstanding during the period.

<sup>C</sup> Amounts do not include the activity of the underlying funds.

<sup>D</sup> Expense ratios reflect operating expenses of the Fund. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or expense offset arrangements and do not represent the amount paid by the Fund during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the Fund but do not include expenses of the investment companies in which the Fund invests.

### Freedom 2005

Years ended March 31,	2008	2007	2006	2005	2004 <sup>F</sup>
<b>Selected Per-Share Data</b>					
Net asset value, beginning of period	\$ 11.84	\$ 11.44	\$ 10.67	\$ 10.48	\$ 10.00
Income from Investment Operations					
Net investment income (loss) <sup>D</sup>	.35	.31	.28	.23	.08
Net realized and unrealized gain (loss)	(.34)	.62	.78	.13	.44
Total from investment operations	.01	.93	1.06	.36	.52
Distributions from net investment income	(.32)	(.29)	(.21)	(.16)	(.04)
Distributions from net realized gain	(.34)	(.24)	(.08)	(.01)	—
Total distributions	(.66)	(.53)	(.29)	(.17)	(.04)
Net asset value, end of period	\$ 11.19	\$ 11.84	\$ 11.44	\$ 10.67	\$ 10.48
<b>Total Return<sup>B, C</sup></b>	(.17)%	8.27%	10.05%	3.44%	5.21%
<b>Ratios to Average Net Assets<sup>E, G</sup></b>					
Expenses before reductions	.00%	.00%	.01%	.10%	.10% <sup>A</sup>
Expenses net of fee waivers, if any	.00%	.00%	.00%	.08%	.08% <sup>A</sup>
Expenses net of all reductions	.00%	.00%	.00%	.08%	.08% <sup>A</sup>
Net investment income (loss)	2.94%	2.70%	2.55%	2.18%	2.03% <sup>A</sup>
<b>Supplemental Data</b>					
Net assets, end of period (000 omitted)	\$ 1,051,703	\$ 867,318	\$ 530,216	\$ 228,244	\$ 36,483
Portfolio turnover rate	31%	12%	4%	7%	22% <sup>A</sup>

<sup>A</sup> Annualized

<sup>B</sup> Total returns for periods of less than one year are not annualized.

<sup>C</sup> Total returns would have been lower had certain expenses not been reduced during the periods shown.

<sup>D</sup> Calculated based on average shares outstanding during the period.

<sup>E</sup> Amounts do not include the activity of the underlying funds.

<sup>F</sup> For the period November 6, 2003 (commencement of operations) to March 31, 2004.

<sup>G</sup> Expense ratios reflect operating expenses of the Fund. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or expense offset arrangements and do not represent the amount paid by the Fund during periods when reimbursements or reductions occur. Expense ratios before reductions for start-up periods may not be representative of longer-term operating periods. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the Fund but do not include expenses of the investment companies in which the Fund invests.



## Freedom 2010

Years ended March 31,

	2008	2007	2006	2005	2004
<b>Selected Per-Share Data</b>					
Net asset value, beginning of period	\$ 14.89	\$ 14.48	\$ 13.45	\$ 13.31	\$ 11.40
Income from Investment Operations					
Net investment income (loss) <sup>B</sup>	.43	.39	.35	.28	.26
Net realized and unrealized gain (loss)	(.37)	.77	1.05	.20	2.02
Total from investment operations	.06	1.16	1.40	.48	2.28
Distributions from net investment income	(.41)	(.38)	(.30)	(.29)	(.28)
Distributions from net realized gain	(.47)	(.37)	(.07)	(.05)	(.09)
Total distributions	(.88)	(.75)	(.37)	(.34)	(.37)
Net asset value, end of period	\$ 14.07	\$ 14.89	\$ 14.48	\$ 13.45	\$ 13.31
<b>Total Return<sup>A</sup></b>	.14%	8.17%	10.54%	3.59%	20.15%
<b>Ratios to Average Net Assets<sup>C, D</sup></b>					
Expenses before reductions	.00%	.00%	.01%	.10%	.10%
Expenses net of fee waivers, if any	.00%	.00%	.01%	.08%	.08%
Expenses net of all reductions	.00%	.00%	.01%	.08%	.08%
Net investment income (loss)	2.86%	2.67%	2.48%	2.11%	2.07%
<b>Supplemental Data</b>					
Net assets, end of period (000 omitted)	\$ 13,903,554	\$ 13,102,900	\$ 10,689,271	\$ 8,693,512	\$ 7,387,863
Portfolio turnover rate	34%	12%	8%	1%	4%

<sup>A</sup> Total returns would have been lower had certain expenses not been reduced during the periods shown.

<sup>B</sup> Calculated based on average shares outstanding during the period.

<sup>C</sup> Amounts do not include the activity of the underlying funds.

<sup>D</sup> Expense ratios reflect operating expenses of the Fund. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or expense offset arrangements and do not represent the amount paid by the Fund during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the Fund but do not include expenses of the investment companies in which the Fund invests.

## Freedom 2015

Years ended March 31,

	2008	2007	2006	2005	2004 <sup>F</sup>
<b>Selected Per-Share Data</b>					
Net asset value, beginning of period	\$ 12.45	\$ 11.98	\$ 10.87	\$ 10.57	\$ 10.00
Income from Investment Operations					
Net investment income (loss) <sup>D</sup>	.34	.29	.25	.21	.07
Net realized and unrealized gain (loss)	(.38)	.72	1.13	.25	.54
Total from investment operations	(.04)	1.01	1.38	.46	.61
Distributions from net investment income	(.30)	(.23)	(.19)	(.14)	(.04)
Distributions from net realized gain	(.38)	(.31)	(.08)	(.02)	—
Total distributions	(.68)	(.54)	(.27)	(.16)	(.04)
Net asset value, end of period	\$ 11.73	\$ 12.45	\$ 11.98	\$ 10.87	\$ 10.57
<b>Total Return<sup>B, C</sup></b>	(.62)%	8.58%	12.83%	4.30%	6.11%
<b>Ratios to Average Net Assets<sup>E, G</sup></b>					
Expenses before reductions	.00%	.00%	.01%	.10%	.10% <sup>A</sup>
Expenses net of fee waivers, if any	.00%	.00%	.00%	.08%	.08% <sup>A</sup>
Expenses net of all reductions	.00%	.00%	.00%	.08%	.08% <sup>A</sup>
Net investment income (loss)	2.68%	2.37%	2.20%	2.01%	1.79% <sup>A</sup>
<b>Supplemental Data</b>					
Net assets, end of period (000 omitted)	\$ 7,116,671	\$ 5,098,514	\$ 2,677,779	\$ 912,493	\$ 114,335
Portfolio turnover rate	24%	4%	1%	0%	2% <sup>A</sup>

<sup>A</sup> Annualized

<sup>B</sup> Total returns for periods of less than one year are not annualized.

<sup>C</sup> Total returns would have been lower had certain expenses not been reduced during the periods shown.

<sup>D</sup> Calculated based on average shares outstanding during the period.

<sup>E</sup> Amounts do not include the activity of the underlying funds.

<sup>F</sup> For the period November 6, 2003 (commencement of operations) to March 31, 2004.

<sup>G</sup> Expense ratios reflect operating expenses of the Fund. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or expense offset arrangements and do not represent the amount paid by the Fund during periods when reimbursements or reductions occur. Expense ratios before reductions for start-up periods may not be representative of longer term operating periods. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the Fund but do not include expenses of the investment companies in which the Fund invests.

## Appendix – continued

### Freedom 2020

Years ended March 31,	2008	2007	2006	2005	2004
<b>Selected Per-Share Data</b>					
Net asset value, beginning of period	\$ 15.84	\$ 15.37	\$ 13.71	\$ 13.34	\$ 10.50
Income from Investment Operations					
Net investment income (loss) <sup>B</sup>	.36	.31	.27	.24	.23
Net realized and unrealized gain (loss)	(.50)	1.03	1.72	.43	2.87
Total from investment operations	(.14)	1.34	1.99	.67	3.10
Distributions from net investment income	(.37)	(.28)	(.23)	(.26)	(.22)
Distributions from net realized gain	(.67)	(.59)	(.10)	(.04)	(.04)
Total distributions	(1.04)	(.87)	(.33)	(.30)	(.26)
Net asset value, end of period	\$ 14.66	\$ 15.84	\$ 15.37	\$ 13.71	\$ 13.34
<b>Total Return<sup>A</sup></b>	(1.32)%	8.95%	14.64%	5.01%	29.68%
<b>Ratios to Average Net Assets<sup>C, D</sup></b>					
Expenses before reductions	.00%	.00%	.01%	.10%	.10%
Expenses net of fee waivers, if any	.00%	.00%	.01%	.08%	.08%
Expenses net of all reductions	.00%	.00%	.01%	.08%	.08%
Net investment income (loss)	2.24%	1.99%	1.87%	1.79%	1.85%

#### Supplemental Data

Net assets, end of period (000 omitted)	\$ 20,028,445	\$ 18,305,525	\$ 13,847,298	\$ 9,915,821	\$ 7,541,432
Portfolio turnover rate	35%	7%	4%	0%	3%

<sup>A</sup> Total returns would have been lower had certain expenses not been reduced during the periods shown.

<sup>B</sup> Calculated based on average shares outstanding during the period.

<sup>C</sup> Amounts do not include the activity of the underlying funds.

<sup>D</sup> Expense ratios reflect operating expenses of the Fund. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or expense offset arrangements and do not represent the amount paid by the Fund during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the Fund but do not include expenses of the investment companies in which the Fund invests.

### Freedom 2025

Years ended March 31,	2008	2007	2006	2005	2004 <sup>F</sup>
<b>Selected Per-Share Data</b>					
Net asset value, beginning of period	\$ 13.05	\$ 12.52	\$ 11.07	\$ 10.64	\$ 10.00
Income from Investment Operations					
Net investment income (loss) <sup>D</sup>	.28	.24	.21	.18	.06
Net realized and unrealized gain (loss)	(.49)	.89	1.48	.39	.63
Total from investment operations	(.21)	1.13	1.69	.57	.69
Distributions from net investment income	(.25)	(.19)	(.15)	(.13)	(.05)
Distributions from net realized gain	(.44)	(.41)	(.10)	(.01)	—
Total distributions	(.69)	(.60)	(.24) <sup>H</sup>	(.14)	(.05)
Net asset value, end of period	\$ 12.15	\$ 13.05	\$ 12.52	\$ 11.07	\$ 10.64
<b>Total Return<sup>B, C</sup></b>	(2.00)%	9.18%	15.41%	5.33%	6.92%
<b>Ratios to Average Net Assets<sup>E, G</sup></b>					
Expenses before reductions	.00%	.00%	.01%	.10%	.10% <sup>A</sup>
Expenses net of fee waivers, if any	.00%	.00%	.00%	.08%	.08% <sup>A</sup>
Expenses net of all reductions	.00%	.00%	.00%	.08%	.08% <sup>A</sup>
Net investment income (loss)	2.16%	1.88%	1.75%	1.67%	1.53% <sup>A</sup>

#### Supplemental Data

Net assets, end of period (000 omitted)	\$ 6,651,041	\$ 4,349,197	\$ 2,099,810	\$ 682,499	\$ 66,423
Portfolio turnover rate	24%	3%	1%	0%	7% <sup>A</sup>

<sup>A</sup> Annualized

<sup>B</sup> Total returns for periods of less than one year are not annualized.

<sup>C</sup> Total returns would have been lower had certain expenses not been reduced during the periods shown.

<sup>D</sup> Calculated based on average shares outstanding during the period.

<sup>E</sup> Amounts do not include the activity of the underlying funds.

<sup>F</sup> For the period November 6, 2003 (commencement of operations) to March 31, 2004.

<sup>G</sup> Expense ratios reflect operating expenses of the Fund. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or expense offset arrangements and do not represent the amount paid by the Fund during periods when reimbursements or reductions occur. Expense ratios before reductions for start-up periods may not be representative of longer term operating periods. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the Fund but do not include expenses of the investment companies in which the Fund invests.

<sup>H</sup> Total distributions of \$.24 per share is comprised of distributions from net investment income of \$.145 and distributions from net realized gain of \$.095 per share.

## Freedom 2030

Years ended March 31,

	2008	2007	2006	2005	2004
<b>Selected Per-Share Data</b>					
Net asset value, beginning of period	\$ 16.36	\$ 15.82	\$ 13.81	\$ 13.27	\$ 10.04
Income from Investment Operations					
Net investment income (loss) <sup>B</sup>	.28	.24	.22	.20	.19
Net realized and unrealized gain (loss)	(.63)	1.21	2.09	.56	3.23
Total from investment operations	(.35)	1.45	2.31	.76	3.42
Distributions from net investment income	(.27)	(.21)	(.19)	(.22)	(.19)
Distributions from net realized gain	(.72)	(.70)	(.11)	—	—
Total distributions	(.99)	(.91)	(.30)	(.22)	(.19)
Net asset value, end of period	\$ 15.02	\$ 16.36	\$ 15.82	\$ 13.81	\$ 13.27
<b>Total Return<sup>A</sup></b>	(2.65)%	9.40%	16.86%	5.72%	34.22%
<b>Ratios to Average Net Assets<sup>C, D</sup></b>					
Expenses before reductions	.00%	.00%	.01%	.10%	.10%
Expenses net of fee waivers, if any	.00%	.00%	.01%	.08%	.08%
Expenses net of all reductions	.00%	.00%	.01%	.08%	.08%
Net investment income (loss)	1.72%	1.51%	1.48%	1.52%	1.58%
<b>Supplemental Data</b>					
Net assets, end of period (000 omitted)	\$ 13,446,741	\$ 11,878,413	\$ 8,550,504	\$ 5,856,816	\$ 4,363,601
Portfolio turnover rate	36%	6%	5%	0%	2%

<sup>A</sup> Total returns would have been lower had certain expenses not been reduced during the periods shown.

<sup>B</sup> Calculated based on average shares outstanding during the period.

<sup>C</sup> Amounts do not include the activity of the underlying funds.

<sup>D</sup> Expense ratios reflect operating expenses of the Fund. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or expense offset arrangements and do not represent the amount paid by the Fund during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the Fund but do not include expenses of the investment companies in which the Fund invests.

## Freedom 2035

Years ended March 31,

	2008	2007	2006	2005	2004 <sup>F</sup>
<b>Selected Per-Share Data</b>					
Net asset value, beginning of period	\$ 13.48	\$ 12.89	\$ 11.22	\$ 10.69	\$ 10.00
Income from Investment Operations					
Net investment income (loss) <sup>D</sup>	.23	.19	.18	.17	.06
Net realized and unrealized gain (loss)	(.57)	1.01	1.73	.49	.68
Total from investment operations	(.34)	1.20	1.91	.66	.74
Distributions from net investment income	(.21)	(.17)	(.13)	(.13)	(.05)
Distributions from net realized gain	(.52)	(.44)	(.11)	—	—
Total distributions	(.73)	(.61)	(.24)	(.13)	(.05)
Net asset value, end of period	\$ 12.41	\$ 13.48	\$ 12.89	\$ 11.22	\$ 10.69
<b>Total Return<sup>B, C</sup></b>	(3.00)%	9.51%	17.18%	6.12%	7.42%
<b>Ratios to Average Net Assets<sup>E, G</sup></b>					
Expenses before reductions	.00%	.00%	.00%	.10%	.10% <sup>A</sup>
Expenses net of fee waivers, if any	.00%	.00%	.00%	.08%	.08% <sup>A</sup>
Expenses net of all reductions	.00%	.00%	.00%	.08%	.08% <sup>A</sup>
Net investment income (loss)	1.70%	1.50%	1.48%	1.56%	1.49% <sup>A</sup>
<b>Supplemental Data</b>					
Net assets, end of period (000 omitted)	\$ 3,914,977	\$ 2,553,737	\$ 1,155,906	\$ 352,091	\$ 27,943
Portfolio turnover rate	28%	3%	1%	0%	18% <sup>A</sup>

<sup>A</sup> Annualized

<sup>B</sup> Total returns for periods of less than one year are not annualized.

<sup>C</sup> Total returns would have been lower had certain expenses not been reduced during the periods shown.

<sup>D</sup> Calculated based on average shares outstanding during the period.

<sup>E</sup> Amounts do not include the activity of the underlying funds.

<sup>F</sup> For the period November 6, 2003 (commencement of operations) to March 31, 2004.

<sup>G</sup> Expense ratios reflect operating expenses of the Fund. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or expense offset arrangements and do not represent the amount paid by the Fund during periods when reimbursements or reductions occur. Expense ratios before reductions for start-up periods may not be representative of longer term operating periods. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the Fund but do not include expenses of the investment companies in which the Fund invests.

## Appendix – continued

### Freedom 2040

Years ended March 31,	2008	2007	2006	2005	2004
<b>Selected Per-Share Data</b>					
Net asset value, beginning of period	\$ 9.68	\$ 9.33	\$ 8.10	\$ 7.75	\$ 5.72
Income from Investment Operations					
Net investment income (loss) <sup>B</sup>	.16	.14	.13	.11	.11
Net realized and unrealized gain (loss)	(.42)	.74	1.29	.38	2.04
Total from investment operations	(.26)	.88	1.42	.49	2.15
Distributions from net investment income	(.15)	(.13)	(.10)	(.13)	(.09)
Distributions from net realized gain	(.48)	(.40)	(.09)	(.02)	(.03)
Total distributions	(.63)	(.53)	(.19)	(.14) <sup>E</sup>	(.12)
Net asset value, end of period	\$ 8.79	\$ 9.68	\$ 9.33	\$ 8.10	\$ 7.75
<b>Total Return<sup>A</sup></b>	(3.29)%	9.68%	17.65%	6.35%	37.75%
<b>Ratios to Average Net Assets<sup>C, D</sup></b>					
Expenses before reductions	.00%	.00%	.01%	.10%	.10%
Expenses net of fee waivers, if any	.00%	.00%	.01%	.08%	.08%
Expenses net of all reductions	.00%	.00%	.01%	.08%	.08%
Net investment income (loss)	1.66%	1.49%	1.45%	1.45%	1.55%
<b>Supplemental Data</b>					
Net assets, end of period (000 omitted)	\$ 7,010,562	\$ 5,894,929	\$ 3,867,885	\$ 2,138,102	\$ 1,295,302
Portfolio turnover rate	37%	4%	4%	1%	3%

<sup>A</sup> Total returns would have been lower had certain expenses not been reduced during the periods shown.

<sup>B</sup> Calculated based on average shares outstanding during the period.

<sup>C</sup> Amounts do not include the activity of the underlying funds.

<sup>D</sup> Expense ratios reflect operating expenses of the Fund. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or expense offset arrangements and do not represent the amount paid by the Fund during periods when reimbursements or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the Fund but do not include expenses of the investment companies in which the Fund invests.

<sup>E</sup> Total distributions of \$.14 per share is comprised of distributions from net investment income of \$.125 and distributions from net realized gain of \$.015 per share.

### Freedom 2045

Years ended March 31,	2008	2007 <sup>F</sup>
<b>Selected Per-Share Data</b>		
Net asset value, beginning of period	\$ 10.96	\$ 10.00
Income from Investment Operations		
Net investment income (loss) <sup>D</sup>	.18	.11
Net realized and unrealized gain (loss)	(.49)	1.01
Total from investment operations	(.31)	1.12
Distributions from net investment income	(.13)	(.07)
Distributions from net realized gain	(.28)	(.09)
Total distributions	(.41)	(.16)
Net asset value, end of period	\$ 10.24	\$ 10.96
<b>Total Return<sup>B, C</sup></b>	(3.19)%	11.23%
<b>Ratios to Average Net Assets<sup>E, G</sup></b>		
Expenses before reductions	.00%	.00% <sup>A</sup>
Expenses net of fee waivers, if any	.00%	.00% <sup>A</sup>
Expenses net of all reductions	.00%	.00% <sup>A</sup>
Net investment income (loss)	1.65%	1.30% <sup>A</sup>
<b>Supplemental Data</b>		
Net assets, end of period (000 omitted)	\$ 656,210	\$ 177,837
Portfolio turnover rate	17%	0% <sup>A</sup>

<sup>A</sup> Annualized

<sup>B</sup> Total returns for periods of less than one year are not annualized.

<sup>C</sup> Total returns would have been lower had certain expenses not been reduced during the periods shown.

<sup>D</sup> Calculated based on average shares outstanding during the period.

<sup>E</sup> Amounts do not include the activity of the underlying funds.

<sup>F</sup> For the period June 1, 2006 (commencement of operations) to March 31, 2007.

<sup>G</sup> Expense ratios reflect operating expenses of the Fund. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or expense offset arrangements and do not represent the amount paid by the Fund during periods when reimbursements or reductions occur. Expense ratios before reductions for start-up periods may not be representative of longer term operating periods. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the Fund but do not include expenses of the investment companies in which the Fund invests.

## Freedom 2050

Years ended March 31,

2008

2007<sup>F</sup>

### Selected Per-Share Data

Net asset value, beginning of period	\$ 10.98	\$ 10.00
Income from Investment Operations		
Net investment income (loss) <sup>D</sup>	.18	.11
Net realized and unrealized gain (loss)	(.53)	1.02
Total from investment operations	(.35)	1.13
Distributions from net investment income	(.12)	(.06)
Distributions from net realized gain	(.25)	(.09)
Total distributions	(.37)	(.15)
Net asset value, end of period	\$ 10.26	\$ 10.98
<b>Total Return<sup>B, C</sup></b>	<b>(3.53)%</b>	<b>11.33%</b>

### Ratios to Average Net Assets<sup>E, G</sup>

Expenses before reductions	.00%	.00% <sup>A</sup>
Expenses net of fee waivers, if any	.00%	.00% <sup>A</sup>
Expenses net of all reductions	.00%	.00% <sup>A</sup>
Net investment income (loss)	1.59%	1.23% <sup>A</sup>

### Supplemental Data

Net assets, end of period (000 omitted)	\$ 624,662	\$ 148,033
Portfolio turnover rate	16%	2% <sup>A</sup>

<sup>A</sup> Annualized

<sup>B</sup> Total returns for periods of less than one year are not annualized.

<sup>C</sup> Total returns would have been lower had certain expenses not been reduced during the periods shown.

<sup>D</sup> Calculated based on average shares outstanding during the period.

<sup>E</sup> Amounts do not include the activity of the underlying funds.

<sup>F</sup> For the period June 1, 2006 (commencement of operations) to March 31, 2007.

<sup>G</sup> Expense ratios reflect operating expenses of the Fund. Expenses before reductions do not reflect amounts reimbursed by the investment adviser or expense offset arrangements and do not represent the amount paid by the Fund during periods when reimbursements or reductions occur. Expense ratios before reductions for start-up periods may not be representative of longer term operating periods. Expenses net of fee waivers reflect expenses after reimbursement by the investment adviser but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the Fund but do not include expenses of the investment companies in which the Fund invests.



#### IMPORTANT INFORMATION ABOUT OPENING A NEW ACCOUNT

To help the government fight the funding of terrorism and money laundering activities, the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT ACT), requires all financial institutions to obtain, verify, and record information that identifies each person or entity that opens an account.

**For individual investors opening an account:** When you open an account, you will be asked for your name, address, date of birth, and other information that will allow Fidelity to identify you. You may also be asked to provide documents that may help to establish your identity, such as your driver's license.

**For investors other than individuals:** When you open an account, you will be asked for the name of the entity, its principal place of business and taxpayer identification number (TIN) and may be requested to provide information on persons with authority or control over the account such as name, residential address, date of birth and social security number. You may also be asked to provide documents, such as drivers' licenses, articles of incorporation, trust instruments or partnership agreements and other information that will help Fidelity identify the entity.

You can obtain additional information about the funds. A description of each fund's policies and procedures for disclosing its holdings is available in the funds' SAI and on Fidelity's web sites. The SAI also includes more detailed information about each fund and its investments. The SAI is incorporated herein by reference (legally forms a part of the prospectus). Each fund's annual and semi-annual reports also include additional information. Each fund's annual report includes a discussion of the fund's holdings and recent market conditions and the fund's investment strategies that affected performance.

For a free copy of any of these documents or to request other information or ask questions about a fund, call Fidelity at 1-800-544-8544. In addition, you may visit Fidelity's web site at [www.fidelity.com](http://www.fidelity.com) for a free copy of a prospectus, SAI, or annual or semi-annual report or to request other information.

The SAI, the funds' annual and semi-annual reports and other related materials are available from the Electronic Data Gathering, Analysis, and Retrieval (EDGAR) Database on the SEC's web site (<http://www.sec.gov>). You can obtain copies of this information, after paying a duplicating fee, by sending a request by e-mail to [publicinfo@sec.gov](mailto:publicinfo@sec.gov) or by writing the Public Reference Section of the SEC, Washington, D.C. 20549-0102. You can also review and copy information about the funds, including the funds' SAI, at the SEC's Public Reference Room in Washington, D.C. Call 1-202-551-8090 for information on the operation of the SEC's Public Reference Room.

*Investment Company Act of 1940, File Number, 811-06440.*

FDC is a member of the Securities Investor Protection Corporation (SIPC). You may obtain information about SIPC, including the SIPC brochure, by visiting [www.sipc.org](http://www.sipc.org) or calling SIPC at 202-371-8300.

Fidelity Freedom Funds, Fidelity Freedom Income Fund, Fidelity Freedom 2000 Fund, Fidelity Freedom 2005 Fund, Fidelity Freedom 2010 Fund, Fidelity Freedom 2015 Fund, Fidelity Freedom 2020 Fund, Fidelity Freedom 2025 Fund, Fidelity Freedom 2030 Fund, Fidelity Freedom 2035 Fund, Fidelity Freedom 2040 Fund, Fidelity Freedom 2045 Fund, Fidelity Freedom 2050 Fund, Fidelity Investments & (Pyramid) Design, Fidelity, FAST, Directed Dividends and Strategic Advisers are registered trademarks of FMR LLC.

Portfolio Advisory Services is a service mark of FMR LLC.

The third party marks appearing above are the marks of their respective owners.

