



June 2020

Update
Fidelity Institutional Prime Money Market Mutual Funds
Fidelity Treasury Money Market Mutual Funds

We have an update about our institutional prime money market fund business and the three Treasury money market mutual funds we closed to new investors at the end of March.

Fidelity Institutional Prime Money Market Mutual Funds¹

We have decided to liquidate our two institutional prime money market funds: **Fidelity Investments Money Market (FIMM) Prime Money Market Portfolio** and **Fidelity Investments Money Market (FIMM) Prime Reserves Portfolio**. Both funds will remain fully accessible to investors until their liquidation on or about **August 14, 2020**. There are no restrictions on investments in or redemptions from the funds until, as part of the liquidation process, the funds close to new investments as of the close of business on August 12, 2020. There is no need to take action at this time. We look forward to working with our institutional prime fund investors between now and August 12, as they determine the alternative cash investment product that works best for them. We have a broad range of options for investors who currently use institutional prime money market funds to consider, including government, retail municipal, and retail prime money market funds, as well as low duration bond funds and separately managed accounts.

Our decision to liquidate our two institutional prime money market mutual funds is specific to these two funds and was taken after thoughtful review and consideration of our experience with investor behavior in institutional prime money market funds during periods of market stress, evolving institutional investor preferences, and our broader money market business. We are choosing to exit the institutional prime segment of the money market mutual fund industry because we believe we can better meet institutional investors' needs with other cash management products. This decision does not affect any of our other money market funds.

Fidelity has always managed our money market funds to align with the goals of our investors. Money market funds provide a safe and liquid investment option with a market level rate of return and have served as an important cash management vehicle for many different types of investors. Over many decades and through various interest rate cycles, money market funds have maintained their attractiveness even when yields across the industry have been close to zero, highlighting the importance investors place on the safety and liquidity of these funds. Fidelity manages our money market funds with these top priorities in mind and matches the

safety and liquidity needs of our various investors with the appropriate investment portfolio composition.

Institutional money market fund investors typically have large and frequent redemptions that must be met the same day to fund business operations, and these redemptions are significantly intensified in times of market stress. The rapid institutional investor shifts from institutional prime to government money market funds we've seen during periods of market stress highlight institutional investors' preference at such times for government money market funds, which invest in securities that are among the safest and most liquid in the world. Retail investors, in contrast, have more stable redemption needs and behavior patterns. Fidelity has a longstanding practice of maintaining higher levels of liquidity in our institutional prime funds to accommodate this shareholder behavior in both calm and volatile markets and our conservative fund management has served our investors well. Despite market volatility, the weekly liquidity of our two institutional prime funds remained above 40% in March, even with significant redemption activity.

Since 2016, Fidelity and others in the money market industry have seen declining investor interest in institutional prime money market funds and increased investor interest in government and retail money market funds. This shift in investor preferences followed the implementation of regulatory changes that required institutional prime money market funds to transact at a floating or variable net asset value (NAV) and provided fund boards the option to temporarily impose redemption restrictions during times of market stress. Today, institutional prime funds represent less than 6% of total industry money market fund assets and less than 2% of Fidelity's money market fund assets.

With investor behavior in institutional prime money market funds during periods of market stress, evolving institutional investor preferences, and institutional prime money market funds now representing less than 2% of our overall money market assets, we are committed to helping our institutional prime investors transition to government money market funds and other products that can better meet their cash investment needs and to more fully focus our firm's resources on managing the money market funds in greatest demand by our investors.

We have a deep, longstanding and ongoing commitment to our institutional and retail money market fund business. We continue to offer a broad range of choices for our investors' cash investments, including government, retail municipal, and retail prime money market funds as well as low duration bond funds and separately managed accounts. We can state unequivocally that Fidelity's money market funds, which are relied upon by millions of investors every day, continue to provide security and safety for our customers' cash investments.

Fidelity Treasury Money Market Mutual Funds²

We want to provide an update on our decision to close three Treasury money market funds to new investors at the end of March, due to lower Fed rates. Existing shareholders retain full access to their accounts. As of the close of business on March 31, 2020, **Fidelity Treasury Only**

Money Market Fund, FIMM Treasury Only Portfolio and FIMM Treasury Portfolio were closed to new investors. With the federal funds rate and yields on Treasury securities at historic lows, by limiting inflows into these Treasury money market funds, we continue to be successful in achieving our goal of preserving the returns of existing fund shareholders. Restricting inflows has helped reduce the number of new Treasury securities that the funds have needed to purchase, which is important because the newer issues generally have lower yields than the funds' existing holdings.

We are continuing to monitor market conditions and yields on these Treasury funds and are pleased to report that we expect to re-open the three funds to new investors in the coming months.

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Before investing, consider the funds' investment objectives, risks, charges, and expenses. Contact Fidelity for a prospectus or, if available, a summary prospectus containing this information. Read it carefully.

¹You could lose money by investing in a money market fund. Because the share price of the fund will fluctuate, when you sell your shares they may be worth more or less than what you originally paid for them. The fund may impose a fee upon the sale of your shares or may temporarily suspend your ability to sell shares if the fund's liquidity falls below required minimums because of market conditions or other factors. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Fidelity Investments and its affiliates, the fund's sponsor, have no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

²You could lose money by investing in a money market fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Fidelity Investments and its affiliates, the fund's sponsor, have no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Fidelity's government and U.S. Treasury money market funds will not impose a fee upon the sale of your shares, nor temporarily suspend your ability to sell shares if the fund's weekly liquid assets fall below 30% of its total assets because of market conditions or other factors.

Past performance is no guarantee of future results.
Diversification and asset allocation do not ensure a profit or guarantee against loss.

Current and future portfolio holdings are subject to risk.

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

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