



# Fidelity Personal Retirement Annuity<sup>®</sup>

Save more for retirement and manage your tax exposure.

The Challenge:

## How can you save more for retirement and help manage your tax exposure?

You'll likely be responsible for funding more and more of your own retirement. Social Security can only go so far, and even traditional sources like 401(k)s and IRAs have contribution limits.

Investing and saving in a taxable account can help, but potentially losing money to taxes every year can take a bite out of any savings plan—especially over the long term.

Ask yourself these important questions as you think about staying invested in your portfolio:



**What types of taxes are affecting your portfolio?**



**Do you know how much taxes are reducing your investment returns?**



**Are you maximizing your opportunities for managing taxes with tax-deferred accounts?**



Investing in a variable annuity involves risk of loss—investment returns and contract value are not guaranteed and will fluctuate.

Fidelity insurance products are issued by Fidelity Investments Life Insurance Company (FIL), 900 Salem Street, Smithfield, RI 02917, and, in New York, by Empire Fidelity Investments Life Insurance Company<sup>®</sup>, New York, N.Y. FIL is licensed in all states except New York. A contract's financial guarantees are subject to the claims-paying ability of the issuing insurance company.

## One Solution:

# Harness the power of tax deferral with low-cost, tax-deferred annuities.

Once you have maximized all your traditional tax-deferred and tax-advantaged options—such as 401(k)s and IRAs—consider the benefits a tax-deferred annuity could provide to help expand your savings.

## A low-cost, tax-deferred variable annuity could help you:



Save more for retirement by keeping more money in your portfolio.



Better manage your entire portfolio's tax exposure—with a tax-deferred variable annuity, you won't pay taxes on any earnings until you take a withdrawal or receive an income payment.

This gives you the potential to grow your retirement assets faster than with comparable taxable investments.

Please keep in mind that withdrawals of taxable amounts are subject to ordinary income tax rates (plus any Medicare surtax, and state and local taxes), and if taken before age 59½, may be subject to a 10% IRS penalty. Variable annuities have associated fees not found in taxable investments, which will impact your returns.

# The Fidelity Personal Retirement Annuity<sup>®</sup>

Now that you're familiar with some of the benefits of managing a portion of your portfolio's tax exposure with a deferred variable annuity, consider the low-cost Fidelity Personal Retirement Annuity<sup>1</sup> to help power your retirement savings.

And remember, unlike most tax-deferred accounts, your tax-deferred variable annuity has no IRS contribution limits;<sup>2</sup> you can contribute as much as you want.

Additionally, unlike a traditional IRA which mandates required minimum distributions (RMDs), the Fidelity Personal Retirement Annuity does not have an RMD requirement. So you can take advantage of the power of tax-deferred compounding over a longer period of time.

Take advantage of these powerful benefits and more.



## Low cost

- Helps you save more for retirement
- Provides flexibility with no surrender charge



## Compounding

- Helps you grow your assets faster



## Control

- Rebalance without tax consequences
- Decide when you pay taxes
- Manage your tax bracket

<sup>1</sup>Fidelity Personal Retirement Annuity (Policy Form No. DVA-2005, et al.) and, for New York residents, Personal Retirement Annuity (Policy Form No. EDVA-2005, et al.). Fidelity Brokerage Services, Member NYSE, SIPC, and Fidelity Insurance Agency, Inc., are the distributors.

<sup>2</sup>Fidelity reserves the right to limit contributions.



## Low fees can make a big difference.

The Fidelity Personal Retirement Annuity was designed as a tax-advantaged savings vehicle that eliminates the expensive riders and other insurance options found in many annuities in order to keep fees low. This is important for retirement saving, as high fees could potentially negate the positive impact of tax deferral.

Unlike many competitors' annuities with higher fees, the Fidelity Personal Retirement Annuity does not have a guaranteed minimum death benefit. This means that upon your death, your beneficiaries receive the current contract value and are not guaranteed the total amount invested.

A lower fee allows you to save more in your annuity.



**This hypothetical example is for illustrative purposes only. It is not intended to predict or project product fees or investment results. Your rate of return may be higher or lower than that shown above.** You should consider your current and anticipated investment horizon and income tax bracket when making an investment decision, as the illustration may not reflect these factors.

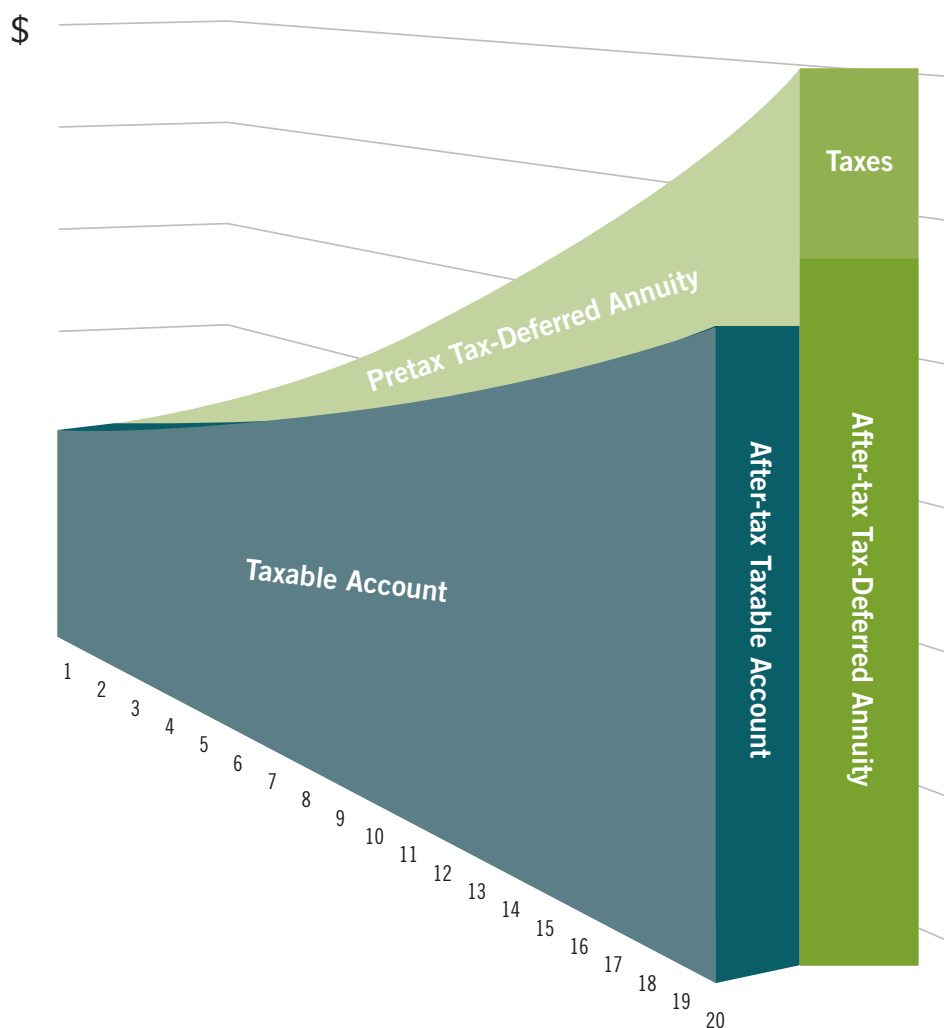


## The power of compounding

Any well-founded retirement saving strategy benefits from maximizing opportunities for tax savings. Tax-deferred accounts allow you to defer paying taxes on investment earnings until withdrawn.

The power of this deferral can be significant over time because your savings will have an opportunity to compound by realizing earnings on earnings.

Compounding can help you save more.



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## Help control your tax exposure.

Improving the tax efficiency of your portfolio is important as you build wealth. A tax-deferred annuity, when purchased with after-tax money, gives you the ability to control your distributions and can help you manage your tax bracket.

Additionally, by holding investments that generate the most taxable income in a tax-deferred account, such as the Fidelity Personal Retirement Annuity, you can potentially make your portfolio more tax efficient.

TAX-PLANNING CONSIDERATIONS	FEATURES AND BENEFITS
<b>TRADING AND REBALANCING<sup>3</sup></b>	<ul style="list-style-type: none"><li>• No tax implications for trading, rebalancing, or changing your investment strategy as you might experience in other investment products</li></ul>
<b>FUND DISTRIBUTIONS<sup>3</sup></b>	<ul style="list-style-type: none"><li>• Tax deferred</li><li>• Automatically reinvested into your selected portfolio</li></ul>
<b>TAX-BRACKET MANAGEMENT</b>	<ul style="list-style-type: none"><li>• Enjoy long-term flexibility while you defer taxable investment income during years you're still working and saving</li><li>• Provides control of your income in retirement to help manage your retirement tax bracket</li><li>• Potentially manage taxes that affect higher tax brackets</li></ul>
<b>INVESTMENT MANAGEMENT<sup>4</sup></b>	Consider tax inefficient funds that: <ul style="list-style-type: none"><li>• Have higher turnover ratios</li><li>• Generate nonqualified dividends</li><li>• Produce interest income</li></ul>

<sup>3</sup>Any earnings are tax deferred until you take withdrawals or receive an income payment.

<sup>4</sup>These factors are generalizations and are not universally accurate. Each investment should be considered individually for the benefits of being held in a tax-deferred account.

## Additional information:

 <p><b>Cost</b></p>	<p><b>Fees</b></p>	<ul style="list-style-type: none"> <li>• Annual annuity charge of 0.25%, or 0.10% for contracts \$1 million or greater<sup>5</sup></li> <li>• No surrender charges</li> <li>• Underlying fund fees also apply</li> </ul>
 <p><b>Compounding</b></p>	<p><b>Flexible Ways to Fund Your Annuity</b></p> <p><b>Where to Invest Your Savings</b></p>	<ul style="list-style-type: none"> <li>• Use money from current savings, bonus, inheritance, etc.</li> <li>• Tax-free exchange of an existing annuity.<sup>6</sup></li> <li>• Make an initial investment of \$10,000, with no initial sales charge.</li> <li>• Use the Fidelity Automatic Annuity Builder to establish a regular savings routine.</li> <li>• Choose a hands-off, a hands-on, or a sector approach, depending on your investing style and needs.</li> </ul>
 <p><b>Control</b></p>	<p><b>Withdrawal Options</b></p> <p><b>Beneficiary Considerations<sup>8</sup></b></p> <p><b>Ongoing Tax Deferral</b></p>	<ul style="list-style-type: none"> <li>• Systematic withdrawals for periodic payments, or turn your savings into guaranteed lifetime income.<sup>7</sup></li> <li>• Transfer benefits to spouse with contract continuation or to family with the stretch provision (allows nonspouse beneficiaries of an annuity contract the option to stretch payments from the inherited annuity over their life expectancy).<sup>9</sup></li> <li>• Make tax-free transfers to charity.</li> <li>• Continue tax-deferral benefits until the oldest owner is age 95 or 90 in the state of New York.</li> <li>• No RMDs.</li> </ul>

<sup>5</sup>Clients are eligible for an annual fee of 0.10% if (1) the contract is purchased with an initial purchase payment of \$1,000,000 or more on or after September 7, 2010, or (2) the contract value has accumulated to \$1,000,000 or more on or after September 7, 2010, and at that time we are offering the contract to new applicants for 0.10%. See prospectus for additional details.

<sup>6</sup>A 1035 exchange is a provision in the tax code that allows for the transfer of funds between annuity policies tax-free. Before exchanging, check with your current provider to see if it will assess a surrender charge, and also consider the existing benefits and features you may lose in an exchange, which may be of particular importance in poor market conditions.

<sup>7</sup>Each withdrawal option presents unique tax implications that you should consider before withdrawing your assets.

<sup>8</sup>Tax laws and regulations are subject to change which can materially impact the current or future beneficiary options.

<sup>9</sup>Only natural persons are eligible to elect the stretch provision; non-natural entities, such as trusts, must choose another option.

**Guarantees are subject to the claims-paying ability of the issuing insurance company.**

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Take the next step today to learn more  
and get started.



Contact your Fidelity advisor or call 800-596-5038.



Visit [Fidelity.com/FPRA](https://www.fidelity.com/FPRA) at any time for more information.

- Learn more about the Fidelity Personal Retirement Annuity.
- View informative videos.
- Research your investment options.



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**Before investing, consider the investment objectives, risks, charges, and expenses of the annuity and its investment options. Contact Fidelity for a prospectus or, if available, a summary prospectus containing this information. Read it carefully.**

This information is intended to be educational and is not tailored to the investment needs of any specific investor.

Withdrawals of taxable amounts from an annuity are subject to ordinary income tax and, if taken before age 59½, may be subject to a 10% IRS penalty.

Fidelity does not provide legal or tax advice. The information herein is general and educational in nature and should not be considered legal or tax advice. Tax laws and regulations are complex and subject to change, which can materially impact investment results. Fidelity cannot guarantee that the information herein is accurate, complete, or timely. Fidelity makes no warranties with regard to such information or results obtained by its use, and disclaims any liability arising out of your use of, or any tax position taken in reliance on, such information. Consult an attorney or tax professional regarding your specific situation.

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