



## BlackRock® Diversified Income Portfolio

The BlackRock® Diversified Income Portfolio seeks to provide clients a greater level of income than could otherwise be garnered from commonly used stock and bond investments, while carefully balancing the trade-offs between risk and yield.

### PRODUCT HIGHLIGHTS

**Inception:** 12/31/2013

**Minimum Investment:** \$200,000<sup>2</sup>

**Target Number of Holdings Range:**  
8–15 Holdings

**Portfolio Strategist:** BlackRock®  
Investment Management, LLC

**Investment Adviser:** Strategic  
Advisers, Inc.

**Investment Objective:** Seeks to generate investment income by investing in traditional and nontraditional sources of income, while carefully balancing the trade-offs between risk and yield.

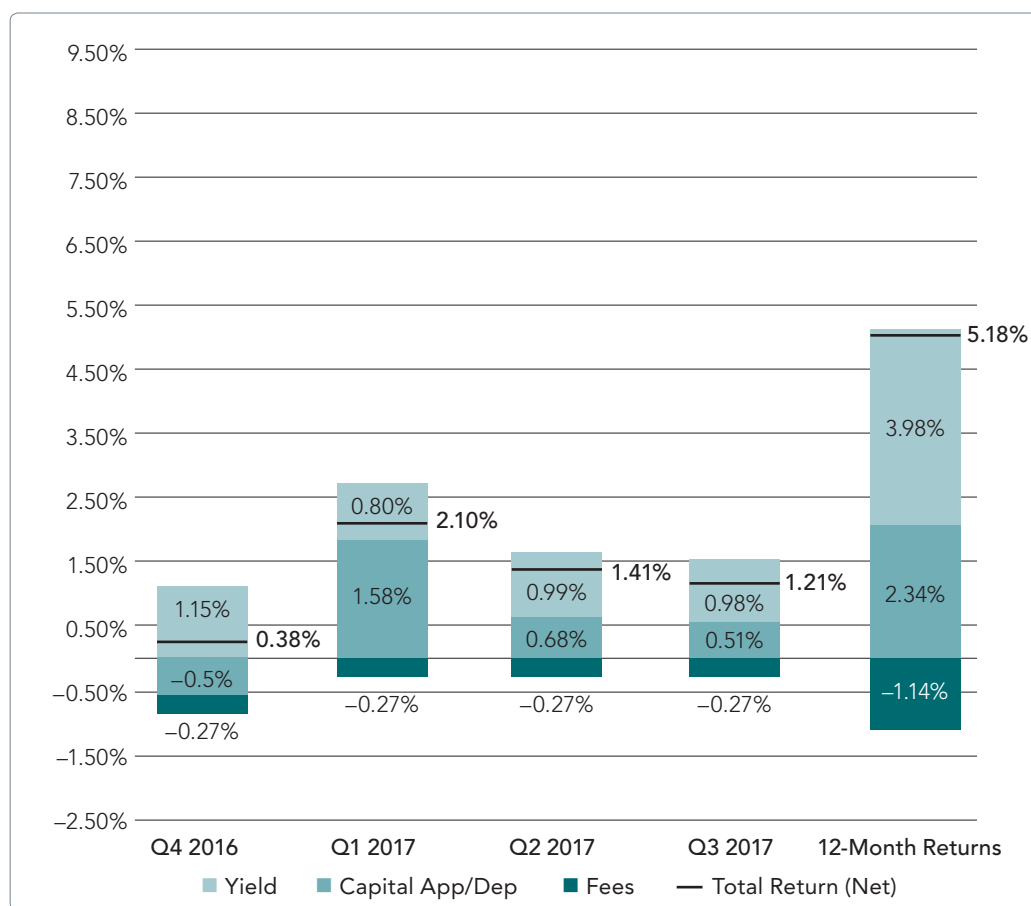
#### Investment Approach

- Flexibility to seek attractive income opportunities across multiple asset classes, sectors, and regions around the world.
- The portfolio's asset allocation may shift as market conditions change in order to find attractive income opportunities with an appropriate amount of risk.
- The portfolio's investment exposure will be diversified among commonly used (e.g., stock and bond funds) and lesser-known (e.g., REITs and bank loans) income sources.<sup>3</sup>
- The BlackRock Diversified Income Portfolio is managed to a level of volatility that is generally consistent with a balanced portfolio,<sup>4</sup> thereby potentially making ups and downs less extreme.

### Total Returns—BlackRock® Diversified Income Portfolio<sup>1</sup>

As of 9/30/2017

The chart below shows the quarterly and 12-month returns of the BlackRock® Diversified Income Portfolio.



The performance data featured represents past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your assets. Current performance may be higher or lower than the performance data quoted.

Total Return (Net) is a measure of the model portfolio's change in value during the period noted, net of all applicable fees. The Total Return (Net) is equal to the "Capital App/Dep" plus "Yield" less "Fees" for the period. The calculations assume the reinvestment of dividends and all other earnings, if any. Due to rounding, the components of Total Return (Net) might not equal net return. For more details, please refer to endnote 5.

The BlackRock® Diversified Income Portfolio refers to the model portfolio on which accounts are based.

**It is important to note that the performance of an account may differ significantly from the model portfolio performance information shown. The performance shown reflects actual trading in an account invested strictly in accordance with the model portfolio during the reporting period; as such, these results may not reflect the impact material economic and market factors might have on the account due to the adviser's accommodations of reasonable restrictions that a client may request or have placed on the management of an account.<sup>1</sup>**

# BlackRock® Diversified Income Portfolio

## WHO MAY WANT TO INVEST

- Investors seeking income beyond commonly used income sources for an appropriate amount of risk.
- Investors who want the investment managers to have a high degree of flexibility to make shifts to the portfolio's asset allocation as market conditions change.

## ABOUT BLACKROCK® INVESTMENT MANAGEMENT, LLC

BlackRock® is a leader in investment management, risk management, and advisory services for institutional and retail clients worldwide. To meet clients' needs, BlackRock® offers active, enhanced, and index strategies across markets, asset classes, and risk categories. Products include separately managed accounts, mutual funds, iShares® (exchange traded funds), and other pooled investment vehicles.

## ABOUT STRATEGIC ADVISERS, INC.

Strategic Advisers is a registered investment adviser and a Fidelity Investments company. For more than 25 years, Strategic Advisers has provided discretionary investment management services through Fidelity's retail, institutional, and intermediary distribution channels.

Fidelity Investments is one of the world's largest providers of financial services. For more information about Fidelity Investments, visit [www.fidelity.com](http://www.fidelity.com).

## Total Returns—as of 9/30/2017

	Q3 2017	1 Year	3 Year	LIFE
BlackRock® Diversified Income Portfolio <sup>5</sup>	1.21%	5.18%	2.58%	3.11%
Core Bonds: Bloomberg Barclays U.S. Aggregate Bond Index	0.85%	0.07%	2.71%	3.27%
Global Stocks: MSCI® World Index	4.84%	18.17%	7.69%	7.19%

## Standard Deviation—as of 9/30/2017

	3 Year
BlackRock® Diversified Income Portfolio	4.31%
Core Bonds: Bloomberg Barclays U.S. Aggregate Bond Index	2.86%
Global Stocks: MSCI® World Index	10.43%

*The performance data featured represents past performance, which is no guarantee of future results. Investment return and principal value of an investment will fluctuate; therefore, you may have a gain or loss when you sell your assets. Current performance may be higher or lower than the performance data quoted.*

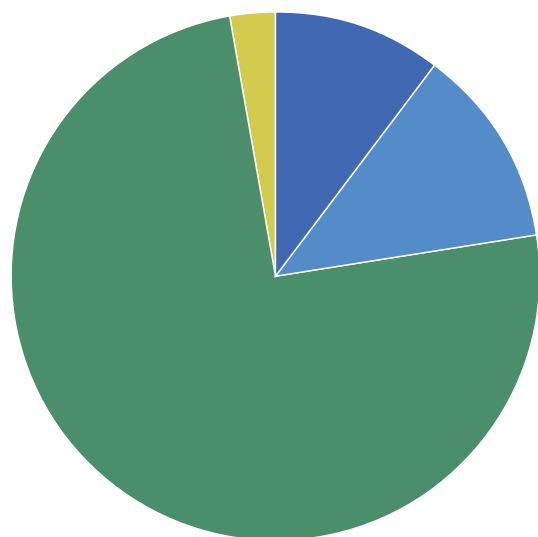
Total Return of the BlackRock® Diversified Income Portfolio displayed above is a measure of the model portfolio's change in value during the period noted, net of all applicable fees, including the maximum annual advisory fee of 1.10%. For more details, refer to endnote 4. Life returns are reported from the performance inception date of the BlackRock® Diversified Income Portfolio (December 31, 2013) until the date indicated above. Returns less than or equal to one year are cumulative.

The two indexes shown above are not benchmarks for the BlackRock® Diversified Income Portfolio, but may be helpful when considering the performance of the BlackRock® Diversified Income Portfolio as it's managed to a level of volatility that is generally consistent with a balanced portfolio. A balanced portfolio is defined as being composed of the following: 50% MSCI World Index and 50% Bloomberg Barclays U.S. Aggregate Bond Index. The composition of these indexes may vary substantially from that of the BlackRock® Diversified Income Portfolio. Securities indexes are not subject to fees and expenses typically associated with managed accounts or investment funds. Please see the endnotes for additional details regarding each index. You cannot invest directly in an index.

The BlackRock® Diversified Income Portfolio refers to the model portfolio on which accounts are based. **It is important to note that the performance of an account may differ significantly from the model portfolio performance information shown. The performance shown reflects actual trading in an account invested strictly in accordance with the model portfolio during the reporting period; as such, these results may not reflect the impact material economic and market factors might have on the account due to the adviser's accommodations of reasonable restrictions that a client may request or have placed on the management of an account.<sup>1</sup>**

Standard deviation is a measure of the dispersion of a set of values from its mean. It is an annualized figure that measures how much a return varies over an extended period of time. The more variable the returns, the larger the standard deviation. A higher standard deviation indicates a wider dispersion of past returns and thus greater historical volatility. Standard deviation indicates the volatility of an investment's or an index's return over time, not the actual performance of the investment or market index.

## Asset allocation<sup>1</sup> as of 9/30/2017



DOMESTIC STOCK	10.43%
FOREIGN STOCK	12.27%
BONDS	74.79%
SHORT TERM	2.52%

### Bonds 74.79%

High-Yield Bond	19.78%
Bank Loan	19.44%
Short-Term Bond	13.19%
Preferred Stock	12.48%
Nontraditional Bond	4.74%
Corporate Bond	3.34%
Ultrashort Bond	1.81%

### Foreign Stock 12.27%

World Stock	4.95%
Europe Stock	3.82%
World Allocation	2.05%
Global Real Estate	1.45%

### Domestic Stock 10.43%

Large Value	7.63%
Real Estate	1.49%
Equity Energy	1.31%

### Short Term 2.52%

Money Market—Taxable	2.52%
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Asset allocation shows the percentage of assets in the BlackRock® Diversified Income Portfolio invested in each of the asset classes listed as of the specified date. These percentages are subject to change without notice and may not be representative of the BlackRock® Diversified Income Portfolio's current or future asset allocation. For informational purposes only. Fidelity's Portfolio Advisory Services utilizes proprietary asset classifications that are based upon information provided by Morningstar, Inc., an independent company not affiliated with Fidelity Investments. Securities that do not have a category are classified as "Unknown." Positions that have an ambiguous category, or that do not have a natural fit within the four basic categories, are shown as "Other." Asset allocation does not ensure a profit or guarantee against loss. Due to rounding, percentages may exceed or may not add up to 100%.

### About This Chart

- What is an asset class?**

It is a group of investments with like characteristics that tend to behave similarly in the marketplace.

- Asset classes you are invested in**

When the Investment Team sees an opportunity, they may position the BlackRock® Diversified Income Portfolio more heavily in particular asset classes that they believe may offer attractive income potential.

### Top 5 Holdings<sup>1</sup>—Percentage of Net Assets as of 9/30/2017

Ticker	Description	Asset Class	Allocation %
BFRIX	BlackRock Floating Rate Income Instl	Bank Loan	19.44%
CSJ	iShares 1–3 Year Credit Bond ETF	Short-Term Bond	13.19%
BRHYX	BlackRock High Yield Bond K	High-Yield Bond	12.73%
PFF	iShares US Preferred Stock	Preferred Stock	12.48%
HDV	iShares Core High Dividend	Large Value	7.63%

The Top 5 Holdings shows the five largest holdings as measured by asset value in the BlackRock® Diversified Income Portfolio as of the specified date. Holdings are subject to change without notice, may not be representative of the BlackRock® Diversified Income Portfolio's current or future investments, and are not intended as recommendations of individual securities. For informational purposes only.

The BlackRock® Diversified Income Portfolio refers to the model portfolio on which accounts are based. It is important to note that the asset allocation, holdings, and performance of an account may differ significantly from the model portfolio information shown.

**Before investing in any mutual fund or exchange-traded product, you should consider its investment objectives, risks, charges and expenses. Contact Fidelity for a prospectus, offering circular, or, if available, a summary prospectus containing this information. Read it carefully.**

**Before investing in the BlackRock® Diversified Income Portfolio, please review the BlackRock® Diversified Income Portfolio Program Fundamentals, available from Fidelity.**

<sup>1</sup>**BlackRock® Diversified Income Portfolio**—The information in this report, which is attributed to the “BlackRock® Diversified Income Portfolio,” refers to the model portfolio on which your account was modeled for the specified time period, and it should not be assumed that any of the holdings discussed were or will be profitable. The information shown is for the model portfolio and does not take into account any reasonable restrictions that you may have requested and had placed on the management of your account. It is important to note that the asset allocation, holdings, and performance of your account may differ significantly from the model portfolio. Your account’s performance may vary from the model portfolio’s yield depending on the actual holdings in your account, the timing of cash flows, and any restrictions placed on your account. Please contact your Fidelity representative for clarification.

<sup>2</sup>A minimum investment amount of \$100,000 may be available for households with \$200,000 or more invested in Fidelity Managed Accounts.

<sup>3</sup>The BlackRock® Diversified Income Portfolio is composed of exchange-traded products (ETPs)—primarily exchange traded funds (ETFs)—but may contain other investment vehicles, such as mutual funds.

<sup>4</sup>A balanced portfolio is represented as being composed of the following: 50% MSCI World Index and 50% Bloomberg Barclays U.S. Aggregate Bond Index.

<sup>5</sup>“Total Return (Net)” is a time-weighted return and is a measure of the model portfolio’s percentage change in value during the applicable period (“Capital App/Dep”), the income produced by the model portfolio’s investments (“Yield”), and the payment of all applicable fees and expenses (“Fees”), including the maximum annual advisory fee of 1.10%. “Capital App/Dep” is the positive or negative change in the market value of positions held in the model portfolio from one time period to the next, expressed as a percentage of the model portfolio’s value. Capital App/Dep does not include the components that make up Yield, but does include any change in value attributable to the reinvestment of the income generated by the model portfolio’s investments within a month. “Yield” is a measure of the income generated by the model portfolio’s investments and is expressed as a percentage of the model portfolio’s value. Yield for the model portfolio is calculated monthly as a percentage of the portfolio’s assets invested in the period. The income generated for each month is aggregated to arrive at a quarterly cumulative value, assuming the reinvestment of any income generated by the model portfolio’s investments at the end of every month during the quarter. The 12-Month Return is the cumulative income over the period (assuming the reinvestment of any income generated). This income is equal to the total of interest, dividends, and return of capital generated by the model portfolio’s investments during the applicable period. A return of capital is paid when an underlying investment makes a distribution that comes from a source other than interest, dividends, or realized capital gains. It is considered a return of a portion of the investor’s original investment. A return of capital is generally nontaxable and reduces the original cost basis with respect to the investment. “Fees” are all fees attributable to an investment in the model portfolio during the prior quarter, including the maximum annual advisory fee of 1.10%. Fees are assessed in arrears based on the average market value of the model portfolio during the prior quarter. Fees are shown as the difference between the cumulative three-month net and gross performance, which state fees as a percentage of the assets within the quarter. Fees for the BlackRock® Diversified Income Portfolio are fully described in the BlackRock® Diversified Income Portfolio Program Fundamentals. Due to rounding in displays, Yield, Capital App/Dep and fees may not add up to net return. The performance information presented is provided for illustrative purposes only. It is not intended to predict or project investment results of the BlackRock® Diversified Income Portfolio.

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

*Diversification/asset allocation does not ensure a profit or guarantee against loss.*

Exchange-traded products (ETPs) are subject to market volatility and the risks of their underlying investments, which may include the risks associated with investing in smaller companies, foreign securities, commodities, and fixed income investments. Foreign securities are subject to interest rate, currency-exchange rate, economic, and political risk, all of which are magnified in emerging markets. ETPs that target a small universe of securities, such as a specific region or market sector, are generally subject to greater market volatility as well as to the specific risks associated with that sector, region, or other focus. ETPs that use derivatives, leverage, or complex investment strategies are subject to additional risks. The return of an index ETP is usually different from that of the index it tracks because of fees, expenses, and tracking errors. An ETP may trade at a premium or discount to its NAV (or indicative value in the case of exchange-traded notes). Each ETP has a unique risk profile that is detailed in its prospectus, offering circular, or similar material, which should be considered carefully when making investment decisions.

Exchange-traded funds (ETFs) are subject to market fluctuation and the risks of their underlying investments. ETFs are subject to management fees and other expenses. Unlike mutual funds, ETF shares are bought and sold at market price, which may be higher or lower than their NAV, and are not individually redeemed from the fund.

**Bloomberg Barclays U.S. Aggregate Bond Index**—An unmanaged market value-weighted performance benchmark for investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities with maturities of at least one year.

**MSCI World Index**—The MSCI World Index represents the performance of stocks in developed market countries (including the U.S.) available for purchase by global investors.

Strategic Advisers, Inc. and BlackRock® Investment Management, LLC are independent entities and are not legally affiliated. Strategic Advisers, Inc. is the investment manager for client accounts and implements trades for the accounts based on the model portfolio of investments it receives from BlackRock® Investment Management, LLC. Strategic Advisers, Inc. may select investments for an account that differ from BlackRock® Investment Management, LLC’s model.

BlackRock® Diversified Income Portfolio is a service offered through Strategic Advisers, Inc., a registered investment adviser and a Fidelity Investments company. **This service provides discretionary money management for a fee.**

Brokerage services provided by Fidelity Brokerage Services LLC. Custody and other services provided by National Financial Services LLC. Both are Fidelity Investments companies and members of NYSE and SIPC.

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