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NASD
LETTER OF ACCEPTANCE, WAIVER AND CONSENT
NO. 2006003796101

2007 MAY -8 P 3: 15
REGISTRATION & DISCLOSURE

TO: Department of Enforcement
NASD

RE: Fidelity Investments Institutional Services Company, Inc., Respondent
Member Firm
BD No. 17507

Fidelity Distributors Corporation, Respondent
Member Firm
BD No. 6848

Pursuant to Rule 9216 of NASD Code of Procedure, Fidelity Investments Institutional Services Company, Inc. and Fidelity Distributors Corporation ("Respondents") submit this Letter of Acceptance, Waiver and Consent ("AWC") for the purpose of proposing a settlement of the alleged rule violations described in Part II below. This AWC is submitted on the condition that, if accepted, NASD will not bring any future actions against the Respondents alleging violations based on the same factual findings.

Respondents understand that:

1. Submission of this AWC is voluntary and will not resolve this matter unless and until it has been reviewed and accepted by NASD's Department of Enforcement and National Adjudicatory Council ("NAC") Review Subcommittee or Office of Disciplinary Affairs ("ODA"), pursuant to NASD Rule 9216;
2. If this AWC is not accepted, its submission will not be used as evidence to prove any of the allegations against any Respondent; and
3. If accepted:
 - a. this AWC will become part of each Respondent's permanent disciplinary records and may be considered in any future actions brought by NASD or any other regulator against each Respondent;
 - b. this AWC will be made available through NASD's public disclosure program in response to public inquiries about each Respondent's disciplinary record;

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- c. NASD may make a public announcement concerning this agreement and the subject matter thereof in accordance with NASD Rule 8310 and IM-8310-2; and
- d. Respondents may not take any action or make or permit to be made any public statement, including in regulatory filings or otherwise, denying, directly or indirectly, any finding in this AWC or create the impression that the AWC is without factual basis. Nothing in this provision affects the testimonial obligations or right of Respondents to take legal or factual positions in litigation or other legal proceedings in which NASD is not a party.

Respondents also understand that their experience in the securities industry and disciplinary history may be factors that will be considered in deciding whether to accept this AWC. That experience and history are as follows:

Fidelity Investments Institutional Services Company, Inc. Fidelity Investments Institutional Services Company, Inc. ("FIISC") has been a registered broker-dealer and a member of NASD since July 21, 1986. FIISC is headquartered in Smithfield, RI and has 31 active branches across the United States and over 2000 registered personnel. FIISC has not been the subject of any formal relevant disciplinary history.

Fidelity Distributors Corporation. Fidelity Distributors Corporation ("FDC") has been a registered broker-dealer and a member of NASD since May 6, 1975. FDC is headquartered in Boston, MA and has five active branches in the Northeast United States and 37 registered personnel. FDC has not been the subject of any formal relevant disciplinary history.

I.

WAIVER OF PROCEDURAL RIGHTS

Each Respondent specifically and voluntarily waives the following rights granted under NASD's Code of Procedure:

- A. To have a Formal Complaint issued specifying the allegations against Respondent;
- B. To be notified of the Formal Complaint and have the opportunity to answer the allegations in writing;

- C. To defend against the allegations in a disciplinary hearing before a hearing panel, to have a written record of the hearing made and to have a written decision issued; and
- D. To appeal any such decision to the NAC and then to the U.S. Securities and Exchange Commission and a U.S. Court of Appeals.

Further, each Respondent specifically and voluntarily waives any right to claim bias or prejudgment of the General Counsel, the NAC, or any member of the NAC, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including acceptance or rejection of this AWC.

Each Respondent further specifically and voluntarily waives any right to claim that a person violated the *ex parte* prohibitions of Rule 9143 or the separation of functions prohibitions of Rule 9144, in connection with such person's or body's participation in discussions regarding the terms and conditions of this AWC, or other consideration of this AWC, including its acceptance or rejection.

II.

ACCEPTANCE AND CONSENT

A. Findings

Respondents hereby accept and consent, without admitting or denying the findings, and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of NASD, or to which NASD is a party, prior to a hearing and without an adjudication of any issue of law or fact, to the entry of the following findings by NASD:

1. Summary

Between January 2003 and January 2006, FIISC and FDC (together, "Fidelity") violated NASD advertising rules by preparing and distributing misleading sales literature relating to Fidelity's Destiny I and II Systematic Investment Plans ("the Plans").¹

¹ Fidelity offered two Plans: Destiny I, first offered in 1970, and Destiny II, first offered in December 1985. Destiny I and Destiny II each had a separate portfolio and each Plan offered two share classes: Class O (closed to new investors in December 1999) and Class N (available to new investors beginning in April 1999). Investors in the Plans agreed to make a fixed number of monthly investments, over a 10- or 15-year period, with the amounts invested in underlying mutual fund portfolios. For Class O or Class N shares, the purchaser paid a sales charge of 50% of the first 12 monthly investments. Class O investors also paid additional sales charges on each payment after the initial 12 months until the payment plan was complete. In both Plans, if the purchaser prematurely stopped plan payments, he would pay a higher effective sales charge of up to 50% of the amount invested. If the Plan was terminated within the first 45 days, no sales charge was paid and if the Plan was terminated within the first 18 months, the investor paid a maximum sales charge of 15%.

Footnote continued on next page

The Plans were marketed by non-Fidelity broker-dealers ("Destiny Retail Brokers") primarily to military service members. Fidelity distributed various marketing materials to current Plan holders and to Destiny Retail Brokers and their registered representatives for distribution to members of the public. Multiple versions of certain brochures, two versions of a slide presentation, and a newsletter failed to comply with NASD rules relating to communications with the public in that they were misleading.

From May 2003 through January 2006, Fidelity prepared and sent copies of brochures (the "Time is Money" mountain chart) to Destiny Retail Brokers for use with current Plan holders and prospective investors that made misleading performance claims about the Plans. While the mountain charts were intended to illustrate the effect of withholding Plan payments during down markets, the charts graphically compared Destiny performance to similar investments in the S&P 500 Index. The charts showed Class O Plans outperforming the S&P 500 Index throughout the most recent thirty-year period, when, in fact, during the most recent 10- and 15-year periods, these Plans substantially underperformed the S&P 500 Index.

The charts were further misleading because they used Destiny Class O performance when new investors could invest only in Class N shares. Class N shares did not perform as well as Class O shares because of on-going expenses.

From January 2003 to February 2005, Fidelity prepared and distributed slide presentations to Destiny Retail Brokers for use with prospective Destiny investors. One of the slides, a "buy and hold" chart, purported to show that the average investor remained invested in Destiny for a significantly longer period of time than the average investor stayed in load and no or low load funds (the "holding periods"). Although the underlying data was obtained from the Investment Company Institute ("ICI"), the chart was misleading because it inaccurately attributed the information shown on the chart to the ICI, when, in fact, Fidelity had calculated the holding periods. Moreover, it was misleading for Fidelity to use this data to show systemic plan investors were better positioned than typical mutual fund investors because the ICI had previously published a study concluding that its data could not be used reliably to measure the holding period of a typical mutual fund investor and warning against using its data for that purpose.

In May 2003, Fidelity prepared and distributed a *Destiny Newsletter* to over 325,000 Destiny Plan holders that contained a mountain chart showing Destiny I Plan performance. Although the mountain chart showed Plan performance, the accompanying average annual total returns related to the underlying portfolio only, not the Plan. These portfolio returns were much higher than the

The Plans were regulated under Section 27 of the Investment Company Act of 1940, 15 U.S.C. § 80a-27. On September 29, 2006, Congress enacted the Military Personnel Financial Services Protection Act, Pub. L. No. 109-290, 120 Stat. 1317 (2006) ("the Act"). Section 4(a)(1) of the Act states that effective 30 days after the date of enactment, it shall be unlawful for any registered investment company to issue any periodic payment plan certificate, or for any such company, or any depositor of underwriter for such a company, or any other person to sell such a certificate. Section 4(a)(2) provides that this provision shall not "alter, invalidate, or otherwise affect any rights or obligations, including rights of redemption," under any periodic payment plan sold before the termination date.

Plan level returns Plan holders actually experienced because they did not reflect the Plan's 50% upfront and ongoing sales charges.

The *Destiny Newsletter* also contained a "Total Outflow" chart that purported to show that average investors stayed invested in Destiny longer than those who invested in "direct-sold U.S. equity funds." As with the slide referenced above, this chart used ICI data in a manner inconsistent with the conclusions of the previous ICI study.

Finally, Fidelity did not adequately supervise the review of this Destiny sales literature in light of the unusual features of the Destiny products.

2. Production and Distribution of Destiny Sales Literature By Fidelity

FDC, a registered broker-dealer, is the principal underwriter and distributor of funds managed by FMR Co. (the Investment Adviser to the Fidelity Funds), including the Destiny Plans and the underlying Destiny mutual fund portfolios. FIISC, a registered broker-dealer and an affiliate of FDC, acted as FDC's agent by creating, reviewing, approving and producing communications with the public, including all Destiny sales literature. Although FIISC produced and distributed all Destiny sales literature, each piece was distributed under FDC's name.

Fidelity made Destiny sales literature available to the Destiny Retail Brokers and their registered representatives through various means, including a general toll-free telephone line, a website, and through direct contact with individuals in the Destiny Business Unit ("DBU"), a business group within FIISC responsible for marketing Destiny. Each piece of sales literature discussed below was available for distribution by registered representatives to current Plan holders and prospective investors.

3. Misleading Sales Literature—Violations of NASD Conduct Rules 2210(d) and 2110

a. Brochures

During May 2003 through January 2006, Fidelity distributed over 10,000 copies of the "Time is Money" brochure to Destiny Retail Brokers or their registered representatives that included misleading performance information. Fidelity intended that registered representatives would share these brochures with prospective investors as well as with current Plan holders. During this period, Fidelity updated and distributed each brochure quarterly.

Materially Misleading Mountain Charts

In these "Time is Money" brochures, a mountain chart illustrated the growth of a hypothetical monthly investment of \$250 in a Destiny Plan over as many as thirty-three years or more, and a similar investment in the S&P 500 Index. The charts, an example of which is attached as Exhibit A, showed investment performance using two different scenarios: (i) assuming contributions were maintained during all markets and (ii) assuming contributions were suspended during bear markets.

According to the mountain charts, Destiny significantly outperformed the S&P 500 Index over the entire period. The charts further highlighted Destiny's purportedly superior performance compared to the S&P 500 Index by pointing out that even Destiny investors who suspended contributions during bear markets over the entire period would have had more favorable results than the S&P 500 Index during the same period.

In fact, for investors currently invested in, or contemplating investing in, a 10-year or 15-year Systematic Investment Plan, these performance claims were misleading. While the chart showed the Plan to be the better performer over 30-plus years, over the most recent 10- and 15-year periods—the periods most relevant to prospective and current investors—the S&P 500 Index significantly outperformed the Destiny Plans. Indeed, as of January 2006, the S&P 500 Index had outperformed Destiny I in ten of the previous 15 years and nine of the previous ten years, including one year in which the S&P 500 Index outperformed Destiny I by over 16%. Also, as of January 2006, the S&P 500 Index had outperformed Destiny II in eight of the previous 15 years and seven of the previous ten years, including one year in which the S&P 500 Index outperformed Destiny II by over 8%. The thirty-year time period masked the underperformance of Destiny I and II over the most recent 15 years, creating the impression that Destiny I and II had outperformed the S&P 500 Index in each of the years.

Average Annual Total Returns (AATRs) and Sales Charges

The brochures also showed Destiny Plan AATRs for 1-year, 5-years, 10-years, and the life of the Plan, without showing comparable AATRs for the S&P 500 Index. The comparable S&P 500 Index AATRs would have shown that the S&P 500 Index significantly outperformed Destiny during these more current time periods. The failure to show the comparable S&P 500 AATRs for more current and relevant time periods created the misleading impression that Destiny outperformed the S&P 500 Index throughout the periods shown.

Further, in the mountain chart's depiction of the S&P 500 Index performance, Fidelity subtracted from the performance a hypothetical sales charge when none applied. By doing so, Fidelity caused Destiny's performance to look better in comparison to the S&P 500 Index data because the S&P 500 Index performance was lower than it otherwise would have been.

Misleading Use of Class O Performance to Market Class N Plans

Destiny I and Destiny II each had two share classes: Class O and Class N. Fidelity closed the purchase of Class O shares to new Plan investors in December 1999.² After December 1999, new Plan investors could only purchase Class N shares. Even though Destiny I Class O and Class N Plans invested in the same underlying mutual fund portfolio (and Destiny II Class O and Class N Plans in another), the performance of Class N shares was inferior to Class O, primarily

² However, existing Plan holders could continue to make investments in Class O shares.

because of higher ongoing fees and expenses.³ Indeed, for the \$250 per month payment plans illustrated in the brochures, a Class N Plan underperformed the comparable Class O Plan.⁴

At the time Fidelity distributed the brochures, it knew that Class O was closed to new investors and that Class O Plans always outperformed Class N Plans for the \$250 per month payment plans illustrated in the brochures. Nevertheless, Fidelity designed and distributed the brochures, in part, for use as sales material with prospective investors using only the higher Class O performance. Although the main purpose of these brochures was to illustrate the effect of withholding Plan payments during down markets, these mountain charts were misleading because the Class N Plans actually available to prospective investors historically underperformed the Class O performance.

Fidelity's mountain chart brochures did not inform prospective investors that the only class of shares open to them had historically underperformed Class O shares for the illustrated Plans. Fidelity also failed to ensure that sales literature with Class O performance only was distributed to current Class O Plan investors and was not provided to prospective investors who could only purchase Class N Plans.

b. Misleading "Holding Period" Charts

Fidelity prepared a slide presentation, "A Powerful Destiny," for use by registered representatives who sold the Plans. The presentation was designed to introduce prospective investors to the objectives and structure of Destiny Plans. Like the brochures, the slide show presentation was available to Destiny Retail Brokers and registered representatives through a general toll-free telephone line, a website, and through direct contact with individuals in the DBU. In particular, Fidelity wholesalers met periodically with registered representatives who sold Plans and provided the slide presentation directly to them.

Between January 2003 and February 2005, the presentation included a slide entitled "Systematic Plan Ensures Buy-and-Hold Investing" which illustrated how long a dollar stayed invested in various fund types using a bar chart. A talking point that accompanied this slide stated that:

the "chart...confirms that people not in systematic plans tend to invest inconsistently."

³ For investors who invested \$250 per month in the ten year Plan, the Class O Plan outperformed the Class N Plan every year. In the fifteen year Plan, using a monthly investment of \$250, while the Class N Plan initially outperformed the Class O Plan, after 9 years and through the end of the 15-year plan, Class N plan performance was inferior to Class O because of the significant on-going Class N share fees and expenses, including 12b-1 fees and transfer agent fees, which ranged from .59 to .87 basis points higher than the fees and expenses charged on the O shares during the three years from 2003 through 2005.

⁴ For example, the Destiny prospectus illustrated that a hypothetical monthly investment of \$250 for the 15 years prior to September 2005 in a Destiny II Class N Plan would have earned over \$3,000 less than a similar investment in the Destiny II Class O Plan illustrated in the mountain chart.

The chart used bars to show the amount of time a dollar stayed invested in “No/Low Load Funds” (2.6 years), in “Load Funds” (3 years), and in contractual plans (16.1 years) using redemption rates. According to the chart, ICI was the source for the 2.6-year and 3-year holding periods.

The chart and accompanying talking points conveyed the message that Destiny investors, unlike average investors in no load or load funds, stayed invested longer and benefited from long-term investing. In referring to the periods shown by the bars, Fidelity suggested that registered representatives tell Plan holders and prospective investors “[c]learly, those who chose a program of systematic investing are better positioned for long-term goals.”

However, although the slide sourced the data to the ICI, Fidelity, not ICI, calculated the holding period using ICI data. Moreover, Fidelity should not have used this data to show systematic plan investors were better positioned than typical mutual fund investors because the ICI had published a study in March 2001 stating that its data:

“[S]hould *not* be used to measure the holding period for the typical fund investor. A small number of shareholders can and likely do generate a disproportionate percentage of the total redemptions, thereby masking the activity of typical investors.” (emphasis added)⁵

Thus, it was misleading for Fidelity to cite ICI data to show systematic plan investors were better positioned than typical mutual fund investors.

Additionally, Fidelity did not file the slide presentations with NASD's Advertising Regulation Department within 10 business days of first use in violation of NASD Conduct Rules 2210(c)(2) and 2110.

c. Misleading Spring 2003 *Destiny Newsletter*

Fidelity prepared and distributed a *Destiny Newsletter* to over 325,000 current Destiny Plan holders in May 2003.

Fidelity included in the *Newsletter* a mountain chart showing Destiny I Plan performance. While the chart showed Plan performance, Fidelity disclosed only average annual total returns (“AATRs”) for the underlying fund portfolio, rather than for the Plan. Because Plan holders paid a 50% upfront sales charge on each of the first year’s payments and a continuing sales charge on each payment after the first year until plan payments were complete, the Plan’s AATRs were significantly lower than the AATRs of the underlying fund portfolio disclosed in the *Newsletter*. For example, if Fidelity had disclosed the Plan’s 1-year AATR, that disclosure would have shown a Plan AATR of -63.08%, over 40% lower than the -22.77% fund AATR that was disclosed. By failing to disclose the AATRs of the Plan, the *Newsletter* was misleading about the effect of the Plan’s sales charges on performance.

⁵ *Fundamentals (Investment Company Institute Research in Brief)*, March 2001 at page 1.

The *Destiny Newsletter* also contained a "Total Outflow" chart that purported to show that average Plan holders stayed invested in Destiny longer than average investors stayed invested in "direct-sold U.S. equity funds" by using ICI data to reach conclusions that, as described above, ICI had explicitly warned could not be drawn from the data.

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NASD Conduct Rule 2210(d) prohibits members and associated persons from making exaggerated, unwarranted or misleading statements or claims in their public communications, including sales literature. Public communications must not omit material facts or qualifications that would cause the communication to be misleading in light of its context. Accordingly, Fidelity violated NASD Rules 2210(d) and 2110 by preparing and distributing the misleading communications described above.

4. Failure to Adequately Supervise the Production of Destiny Sales Literature—Violations of NASD Conduct Rules 3010 and 2110

FIISC was responsible for marketing the Destiny product, a function that included developing sales materials. While the sales literature and advertising for Destiny were reviewed and approved by a principal, the review did not adequately take into account the unique features of the products, including the 50% first year sales charge, the ongoing sales charges for the Class O Plans, and the 10- to 15-year investment periods of the Plans.

Fidelity did not ensure that those involved in the production and distribution of Destiny sales literature fully understood the Destiny product and the application of NASD's rules to Destiny sales literature. Thus, the "Time is Money" brochures were created, then published and republished nine times over nearly three years and other sales literature was distributed without anyone detecting the misleading performance and other claims, as described above.

Accordingly, Fidelity violated NASD Conduct Rules 3010 and 2110 with respect to supervision of Destiny sales literature.

B. Sanctions

Fidelity Investments Institutional Services Company, Inc. and Fidelity Distributors Corporation consent to the imposition, at a maximum, of the following sanctions:

1. A censure imposed on FIISC and FDC.
2. A fine of \$400,000 imposed jointly and severally against FIISC and FDC, which will be paid to the NASD Investor Education Foundation (a tax-exempt, non-profit grant administration organization) to be used for the investor education needs of members of the United States military and their families. The NASD Investor Education Foundation will use the funds to support educational programs, materials and research to equip members of the United States military and their families with the knowledge and skills

necessary to make informed investment decisions. Respondents shall make such payment within ten days of Notice of Acceptance of this AWC.

3. Each Respondent agrees to complete the following undertakings:

For a period of five years from the effective date of this AWC each Respondent will:

- (i) Include in all Fidelity sales literature and advertisements regarding or referring to Destiny Plans a prominent notice to current Plan holders substantially as follows:

For Destiny Plan holders who would like to change the total face amount of their Plans: Additional shares of the underlying fund can be purchased outside the Plan without paying additional Plan-level creation and sales charges of up to 50% on the amount that would have been invested for the first 12 months less the charges already paid, which may lower your cost of investing. Please consult your investment professional regarding your individual situation (the "Destiny Plan Notice").

- (ii) Include the Destiny Plan Notice prominently on FIISC's external website (Advisor.Fidelity.com) and any other Fidelity website with substantive information regarding Destiny Plans, whether or not the website is accessible by Plan holders.
- (iii) Provide the Destiny Plan Notice in writing on all periodic account statements sent directly to each Plan holder.

The sanctions imposed herein shall be effective on a date set by NASD staff.

III.

OTHER MATTERS

- A. Respondents understand that they may attach a Corrective Action Statement to this AWC that is a statement of demonstrable corrective steps taken to prevent future misconduct. Each Respondent understands that it may not deny the charges or make any statement that is inconsistent with the AWC in this Statement. This Statement does not constitute factual or legal findings by NASD, nor does it reflect the views of NASD or its staff.
- B. Respondents agree to pay any monetary sanctions imposed upon notice that this AWC has been accepted and that such payments are due and payable and Respondents have attached an Election of Payment form showing the method by which it proposes to pay any fine imposed.

- C. Each Respondent specifically and voluntarily waives any right to claim an inability to pay, now or at any time hereafter, any monetary sanction imposed in this matter.

Each Respondent certifies that the Respondent has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it, and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, has been made to induce any Respondent to submit it.

4/3/07
Date

Fidelity Investments Institutional Services
Company Inc.

By: [Signature]
Name: Joseph P. LoRusso
Title: President

Date

Fidelity Distributors Corporation

By: _____
Name: _____
Title: _____

Reviewed by:
[Signature]
Bingham McCutchen LLP

By: David C. Boch, Esq.
Counsel for Fidelity Investments Institutional Services Co. Inc. and Fidelity Distributors Corp.
Bingham McCutchen LLP
150 Federal Street
Boston, MA 02110-1726
Telephone 617.951.8485

- C. Each Respondent specifically and voluntarily waives any right to claim an inability to pay, now or at any time hereafter, any monetary sanction imposed in this matter.

Each Respondent certifies that the Respondent has read and understands all of the provisions of this AWC and has been given a full opportunity to ask questions about it, and that no offer, threat, inducement, or promise of any kind, other than the terms set forth herein, has been made to induce any Respondent to submit it.

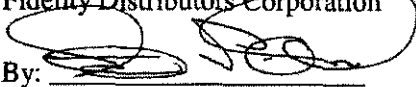
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Fidelity Investments Institutional Services
Company Inc.

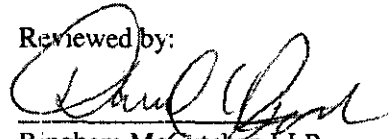
By: _____
Name:
Title:

Date

Fidelity Distributors Corporation

By: 
Name: Steven Akin
Title: President

Reviewed by:


Bingham McCutchen LLP

By: David C. Boch, Esq.
Counsel for Fidelity Investments Institutional Services Co. Inc. and Fidelity Distributors Corp.
Bingham McCutchen LLP
150 Federal Street
Boston, MA 02110-1726
Telephone 617.951.8485

Accepted by NASD:

5/8/07
Date

Signed on behalf of the
Director of ODA, by delegated authority


Katherine A. Maffa
Vice President
NASD Department of Enforcement
1801 K Street
Suite 800
Washington, DC 20006

Time is money

When it comes to investing, taking time out from your regular investing program could be a very expensive mistake – in the example below, a \$497,816 mistake.



Investment Growth: S&P® 500 compared to Destiny I – Class O

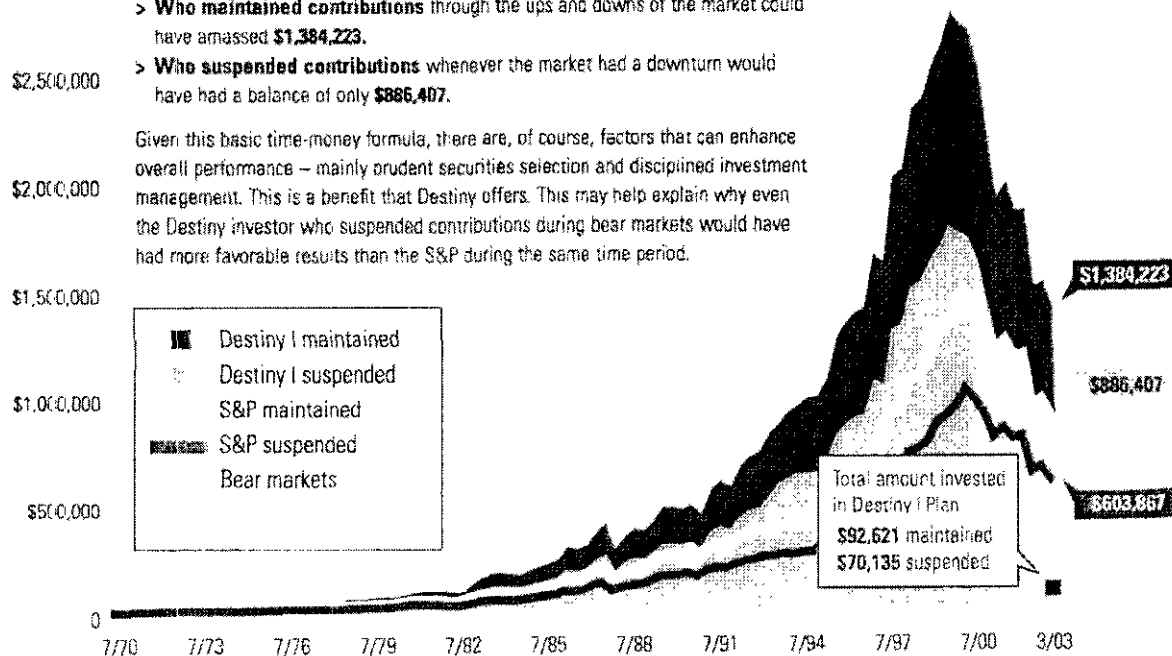
(Since inception) Including vs. excluding six bear markets

Average annual total returns for Destiny I – Class O Plan as of 3/31/03: 1-year: 64.23%, 5-year: 13.13%, 10-year: 4.04%, Life of Plan: 8.75%. Fund inception: 7/10/1970.

The chart shows that a Destiny I investor:

- > **Who maintained contributions** through the ups and downs of the market could have amassed **\$1,384,223**.
- > **Who suspended contributions** whenever the market had a downturn would have had a balance of only **\$886,407**.

Given this basic time-money formula, there are, of course, factors that can enhance overall performance – mainly prudent securities selection and disciplined investment management. This is a benefit that Destiny offers. This may help explain why even the Destiny investor who suspended contributions during bear markets would have had more favorable results than the S&P during the same time period.



It is not possible to invest directly in an index.

Hypothetical example is based on \$250 monthly contributions, net of sales charge, in Destiny I Plan O Shares beginning 7/1970. Investments are for the whole period of the chart graph and contributions are suspended during bear markets for the lighter graph. Bear markets are defined as S&P 10% reversals from previous highs.

Actual contract period for Destiny I may be anywhere from 10 to 25 years.

Past performance is no guarantee of future results.

Share price, yield, and returns may vary. You may have a gain or loss when you sell your shares.

NOT FDIC INSURED • MAY LOSE VALUE
NO BANK GUARANTEE

Fidelity Investments®

THE VALUE OF AN ADVISOR. THE STRENGTH OF FIDELITY.



Not FDIC Insured • May Lose Value • No Bank Guarantee

Mutual fund performance changes over time and currently may be significantly lower than stated. For the most recent performance figures available, please call your investment professional. Past performance is no guarantee of future results.

The average annual returns for the Plan illustrate the performance of Destiny I, Class Q adjusted to reflect the average percentage fees and charges assessed over 1-, 5-, and 10-year periods. The returns assume an initial \$3,000 lump-sum investment at the beginning of each period shown, with no subsequent Plan investments and with all applicable fees and charges being assessed at that time. Because this performance assumes a lump-sum investment, it does not reflect what investors would have earned had they made regular monthly investments over the period.

Not NCUA or FDIC insured. May lose value. No credit union guarantee.

Systematic investment plans are long-term investments, and you may incur a loss if you terminate or withdraw in the early years of your plan because all or a majority of the creation and sales charges are deducted from your first twelve installments. In addition, such a plan involves continuous investments in securities, and you should consider your financial ability to continue your purchases through periods of low price levels.

The S&P 500 Index is a registered service mark of the McGraw-Hill Companies, Inc., and has been licensed for use by Fidelity Distributors Corporation and its affiliates. It is an unmanaged index of the common stock prices of 500 widely held U.S. stocks that includes reinvestment of dividends.

Fidelity Investments & Pyramid Design is a registered service mark of FMR Corp.

Destiny is a service mark of FMR Corp.

For more complete information, including charges and expenses, please call or write for a free prospectus. Read it carefully before investing or sending money.

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Fidelity Distributors Corporation, Inc., 82 Devonshire Street, Boston, MA 02109

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