



Fidelity Income Replacement FundsSM

At-A-Glance

- What is it?** The Fidelity Income Replacement FundsSM are mutual funds that are designed to integrate investment strategies with a planned withdrawal strategy for investors during retirement.
- Who is it right for?** The funds are intended for investors who have retirement savings and are looking for professional investment management combined with a planned withdrawal strategy designed to provide regular monthly payments over a defined time horizon. The funds are intended to supplement other retirement income sources such as annuities, pensions and Social Security. The funds are designed for individual investors or those who prefer to work with an advisor.
- What are the benefits?** The Income Replacement Funds are designed for investors who seek to convert their retirement savings into regular monthly payments over a defined period of time. The funds, in conjunction with the Smart Payment ProgramSM, a voluntary account feature, can help investors do this by:
1. combining professionally managed asset allocation with an automated withdrawal strategy;
 2. providing for monthly payments that have the potential to keep pace with inflation over a defined period of time;
 3. providing for diversification and growth potential at a low cost;
 4. offering full liquidity and control;
 5. allowing for transfer of any remaining assets to an investor's heirs, as with any mutual fund.
- Each income replacement funds investment objective is intended to support a payment strategy through the Smart Payment Program ("SPP"). Monthly payments may not keep pace with inflation, will fluctuate year over year and will result in the gradual liquidation of an investment in the fund by its horizon date. As with any mutual fund, withdrawals will reduce the investment balance and future returns are not earned on amounts withdrawn. The funds and SPP may not be appropriate for all investors. Please consult the fund's prospectus for more details.**
- How does it work?** The chart below shows a hypothetical example of how the Smart Payment Program potentially worked over a 20-year period, assuming average market growth seen historically.
- The bars in the graph highlight the annual payments an investor received. In the first year, the payment would have been about \$540 per month. The monthly payments and cumulative payments are shown above the chart. Note that in year 12, the total value of the payments would have been \$103,115, which surpasses the initial investment. By the end of year 20, the account balance will be \$0 as the customer would have effectively used the initial \$100,000 investment to generate payments for 20 years totaling over \$216,000. The account balance for select years is shown underneath the chart.

\$100,000 initial investment over a 20-year time horizon using the Smart Payment Program and based upon historical index investment performance.

Hypothetical Example



Methodology: Hypothetical example assumes an initial \$100,000 investment. Other fees, taxes, and expenses are not taken into account. The chart reflects median results from a historical analysis of index performance of 736 rolling 20-year (240-month) time periods from February 1926 through May 2007 used in conjunction with an asset allocation roll down model. The hypothetical investment uses an asset allocation rolldown made up of equities, fixed-income, and cash. Asset weights varied by time with equities gradually reducing from 53% in year 1 to 3% in year 20; cash gradually increasing from 13% in year 1 to 97% in year 20; and fixed-income making up the balance with 34% in year 1 and 0% in year 20. Equities were represented by the S&P 500® Index. Fixed-income was represented by the Ibbotson Intermediate-Term Government Bond Index from February 1926 through December 1975, and the Lehman Brothers Aggregate Bond Index from January 1976 through May 2007. Cash was represented by the Ibbotson 30-Day T-bill Index. Asset weights varied by time period.

Past performance is no guarantee of future results. The chart is not meant to represent the performance of any Fidelity Income Replacement Fund. It is not possible to invest directly in an index. For illustrative purposes only.

Please note, the Fidelity Income Replacement Funds and the Smart Payment Program may not be appropriate for all investors. Investors who own a Fidelity Income Replacement Fund within a tax-advantaged retirement account and who elect to participate in the Smart Payment Program should consult with their tax advisers to discuss tax consequences that could result if payments are distributed from their core account prior to age 59 1/2 or they plan to use the Smart Payment Program, in whole or in part, to meet their annual minimum required distribution. You should consult a financial adviser or Fidelity representative to determine whether a Fidelity Income Replacement Fund is right for you.

Performance of the Fidelity Income Replacement Funds depends on that of their underlying Fidelity funds. These funds are subject to the volatility of the financial markets in the U.S. and abroad and may be subject to the additional risks associated with investing in high-yield, small-cap and foreign securities.

Standard & Poor's 500 Index (S&P 500) is an unmanaged index of the common stock prices of 500 widely held U.S. stocks and includes reinvestment of dividends.

The Ibbotson Intermediate-Term Government Bond Index is an unmanaged index that includes the reinvestment of interest income.

The Ibbotson U.S. 30-Day T-bill data series is a total return series that is calculated using data from the *Wall Street Journal* from 1977 to the present and the CRSP U.S. Government Bond File from 1926 to 1976.

Lehman Brothers Aggregate Bond Index is a market value-weighted index of investment-grade fixed-rate debt issues, including government, corporate, asset-backed, and mortgage-backed securities, with maturities of one year or more.

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

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