



FOR IMMEDIATE RELEASE

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**FIDELITY LAUNCHES INNOVATIVE INVESTMENT PRODUCTS
THAT MAKE IT EASIER TO CREATE RETIREMENT INCOME THAT CAN LAST A LIFETIME**

**Offerings Include Industry-First Income Replacement Funds,
Low-Cost Guaranteed Withdrawal Benefit Annuity, New Tools and Web Content**

BOSTON, October 3, 2007 – Fidelity Investments today launched a suite of new retirement income products and services for individual investors and advisors that can make it easier for retirees to convert their savings into regular, monthly income payments that can last a lifetime.

“Retirees struggle to understand how much of their savings they can comfortably tap each year without placing their future lifestyle at risk,” said Rodger A. Lawson, president, Fidelity Investments. “To alleviate those concerns, we’re launching two innovative products with unique benefits for retirees – a new deferred variable annuity with an income guarantee and a new type of mutual fund designed to provide income replacement. These products meet specific needs in a retiree’s income portfolio, and also can work together to satisfy investor demand for guaranteed income, investment growth, product flexibility and low costs -- a combination of benefits that redefines industry leadership.”

Fidelity’s offerings include a revolutionary new series of mutual funds, the Fidelity Income Replacement FundsSM, which combine professionally managed asset allocation with a unique withdrawal program: and a deferred variable annuity, Fidelity Growth and Guaranteed IncomeSM, which provides a guaranteed withdrawal benefit for the lifetime of an investor¹.

Additionally, the firm launched new content-rich, dedicated retirement income Web portals within Fidelity’s retail and advisor Web sites, where investors and advisors can find new tools, investment strategies and multimedia product videos to make building a retirement income portfolio easier.

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¹ For spouses, joint contracts are also available.

The Fidelity Income Replacement Funds

Leading the launch is an industry-first mutual fund product, The Fidelity Income Replacement Funds. The funds -- a series of 11 fund-of-funds with horizon dates in two-year increments from 2016 to 2036 -- combine an asset allocation strategy with a unique withdrawal program designed to make it easier for pre-retirees and retirees to create a regular payment stream to help meet their spending needs. They are available for direct purchase by investors or through a financial advisor.

Similar to Fidelity Freedom Funds, the foundation of this new type of mutual fund is a dynamic asset allocation approach and proprietary rolldown. This means the funds start out with a more aggressive asset allocation weighted toward equity funds for potential growth, and gradually shift over time, as the fund's target end date approaches, to a more conservative allocation emphasizing fixed-income and short-term funds.

In another industry-first innovation, the Fidelity Income Replacement Funds offer investors an optional, monthly payment program, at no added cost. The Smart Payment ProgramSM uses Fidelity quantitative analysis to determine a schedule of annual target payment rates designed to enable investors to receive regular withdrawals from a fund. These withdrawals have the potential to keep pace with inflation over a defined period of time, provided the fund's investment strategy works as intended.

As with any mutual fund, the Fidelity Income Replacement Funds offer investors flexibility. At any time, investors can add more money, turn on and off their monthly payments as they desire, exchange into a fund with shorter or longer horizon dates, take additional withdrawals or sell the fund if needed, without penalty. The retail funds also offer some of the industry's lowest expense ratios ranging from 0.54 percent to 0.65 percent.

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“These funds are truly unique, providing a variety of investor benefits in a highly flexible, easily accessible, low-cost structure that is different from anything else out there,” said Boyce I. Greer, president of Fixed-Income and Asset Allocation, Fidelity Investments. “We anticipate that retirees will use these funds as income-building blocks, mixing and matching funds with different time horizons and target payments, and even laddering them with other income products such as annuities, to create a variety of income streams to spend down their retirement assets while meeting changing needs.”

Greer said the Fidelity Retirement Income Replacement Funds are a viable solution for retirees looking to use the funds as a bridge to cover monthly expenses until Social Security or a pension begins, or those who desire a withdrawal strategy for discretionary purchases such as vacations and home renovations, or for investors who simply want to be assured they have regular monthly payments to cover their living expenses.

Fund performance depends on the performance of the underlying funds, which carry their own risks, including volatility associated with investing in high yield, small-cap, and foreign securities.

Each Income Replacement Fund's 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.

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 advisor to discuss tax consequences that could result if payments are distributed from their core account prior to age 59½ or they plan to use the Smart Payment Program, in whole or in part, to meet their annual minimum required distribution. Investors should consult a financial advisor or Fidelity representative to determine whether a Fidelity Income Replacement Fund is right for them.

The Fidelity Growth and Guaranteed Income^{SM2} Annuity

Fidelity³ also is launching a new deferred variable annuity, Fidelity Growth and Guaranteed IncomeSM, which offers a powerful combination of guaranteed lifetime income⁴, investment growth potential, and flexible access to assets⁵ - all at a cost that is approximately 40 percent lower than the industry-average annuity⁶.

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² Not available in all states. In New York, Growth and Guaranteed IncomeSM.

³ Fidelity refers to Fidelity Investments Life Insurance Company, and for NY residents, Empire Fidelity Investments Life Insurance Company®, New York, NY.

⁴ **Guaranteed lifetime income is subject to the claims-paying ability of the issuing insurance company.**

⁵ Withdrawals taken that exceed the guaranteed withdrawal benefit amount or taken before the youngest annuitant reaches age 59½ may significantly reduce the guaranteed withdrawal benefit amount, and, if taken during the first 5 contract years, will be subject to a 2% Surrender Fee (exceptions may apply; see the prospectus for details). Taxable amounts withdrawn prior to age 59½ may be subject to a 10% IRS penalty.

⁶ According to Morningstar/VARDS®, Fidelity Growth and Guaranteed Income's (FGGI's) annual annuity charge of 1.25% for joint lives is approximately 40% lower than the industry average annual annuity charge of 2.05% for deferred variable annuities offering guaranteed withdrawal benefits for life as of 5/31/07. FGGI does not have a guaranteed minimum death benefit whereas the industry-average annuity may.

“For retirees who fear outliving their savings, this product will give them the security of knowing they will receive income every month⁷, guaranteed, throughout their lifetime,” said Jon J. Skillman, president of Fidelity Investments Life Insurance Company. “Best of all, this monthly income has the potential to increase each year up to age 85⁸, but will not decrease, even in a down market⁹.”

Investors purchase Fidelity Growth and Guaranteed Income with a single payment and can choose from two diversified¹⁰ portfolios that are actively managed by Fidelity. These include Fidelity VIP Balanced, which invests approximately 60 percent in equities and 40 percent in bonds and other debt securities; and Fidelity VIP FundsManagerSM 60%, which invests in other mutual funds and maintains an approximate target asset allocation of 60 percent equities, 35 percent fixed income, and 5 percent money market portfolios¹¹.

Upon reaching the age of 59½¹², the contract holder and his or her spouse are immediately eligible to begin taking withdrawals that are guaranteed to last for life. Withdrawals also may be postponed to a later date, which may result in a higher guaranteed payment benefit. And because the contract holder retains control over the assets, he or she can take additional withdrawals if unexpected expenses arise in the future. However, excess withdrawals may significantly reduce the guaranteed withdrawal benefit amount.

One of the most compelling features of Fidelity Growth and Guaranteed Income is its annual recalculation of the guaranteed withdrawal amount. This is performed for the benefit of investors, so that if their portfolios have grown over the past year due to positive market performance, they have the chance of seeing their income increase too⁸. Any increases are automatically “locked in” for the future, and the new withdrawal amount will not decrease, even if the market declines.

Principal value and investment returns of a variable annuity will fluctuate and investors may have a gain or loss when money is withdrawn.

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⁷ Annuitants can choose to receive their annual income (withdrawal benefit) in monthly payments or on an ad hoc basis.

⁸ Benefit base will be compared to contract value annually and increased when the contract value exceeds the benefit base on anniversary dates prior to the customer reaching age 85. After age 85, the customer will no longer be eligible for benefit base increases.

⁹ Provided annual withdrawals have not exceeded the guaranteed withdrawal benefit amount.

¹⁰ **Diversification does not ensure a profit or protect against a loss in a declining market.**

¹¹ These portfolios 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. Please note that the performance of the Fidelity VIP FundsManager 60% portfolio depends on that of the underlying Fidelity and Fidelity VIP funds in which it invests.

¹² In the case of a joint contract, withdrawals can only begin when the youngest annuitant has reached age 59½.

Fidelity Growth and Guaranteed Income offers a low annual annuity charge compared to competitive products with these benefits. In addition, it has no annual maintenance fees, no initial sales charges, and a low 2 percent surrender fee should an investor need to sell his or her contract or take excessive withdrawals during the first five years of ownership. Fidelity Growth and Guaranteed Income does not have a guaranteed minimum death benefit.

New Web Tools and Content for Investors and Advisors

Fidelity also has created a new online experience to make it easier for investors and advisors to build retirement income portfolios. For example, now retail investors who go to Fidelity.com can click on “Income Products” and will be taken to a dedicated section of the Web site, where they will find content-rich interactive Web pages, multimedia product videos, and easy-to-use tools that can guide them to appropriate income products.

New features of the site include information on common income strategies that investors may want to consider when creating a retirement income portfolio, examples of how these strategies could be used by investors with different profiles, and detailed product tables that compare different income product features, benefits and trade-offs. Investors also can get help narrowing down the selection of income products based on their personal preferences by answering four quick questions in one of the site’s easy-to-use tools.

Fidelity also recently launched a sophisticated, Web-based retirement income planning tool for advisors. The Fidelity Retirement Income EvaluatorSM, offered by Fidelity’s three businesses serving intermediaries -- Fidelity Investments Institutional Services Co., the recently re-named Fidelity Institutional Wealth Services Company, and National Financial -- enables advisors to build comprehensive retirement income plans for their clients.

To date, comprehensive products and services for retirees seeking income growth and withdrawal strategies mainly have been available to high-net-worth investors. Fidelity is one of the first companies to provide retirement income strategies with innovative, flexible, easy-to-use products and services that, due to their low-cost structures, can benefit a wide range of investors in need of income solutions.

About Fidelity Investments

Fidelity Investments is one of the world's largest providers of financial services, with custodied assets of more than \$3.2 trillion, including managed assets of \$1.5 trillion as of August 31, 2007. Fidelity offers investment management, retirement planning, brokerage, and human resources and benefits outsourcing services to more than 23 million individuals and institutions as well as through 5,500 financial intermediary firms. The firm is the largest mutual fund company in the United States, the No. 1 provider of workplace retirement savings plans, the largest mutual fund supermarket and a leading online brokerage firm. For more information about Fidelity Investments, visit www.fidelity.com.

VIP Refers to Variable Insurance Product.

Insurance products are issued by Fidelity Investments Life Insurance Company (FILI). FILI is licensed in all states except New York. In NY, insurance products are issued by Empire Fidelity Investments Life Insurance Company®, New York, N.Y. Products may not be available in all states. The contract's financial guarantees are solely the responsibility of the issuing insurance company.

Fidelity Growth and Guaranteed Income (Policy Form No. DVA-GWB-2007, et al.) is issued by Fidelity Investments Life Insurance Company. In New York, Growth and Guaranteed Income (Policy Form No. EDVA-GWB-2007, et al.) is issued by Empire Fidelity Investments Life Insurance Company®, New York, N.Y. **Fidelity Brokerage Services, Member NYSE, SIPC**, and Fidelity Insurance Agency, Inc., are the distributors.

Taxable amounts withdrawn prior to age 59½ may be subject to a 10 percent IRS penalty.

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

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