

# Important Information about Margin Lending

Fidelity is furnishing this document to you to provide some basic information about taking a margin loan. Whether you use margin lending as a personal line of credit or you are purchasing securities on margin, it is important that you understand the potential risks. Before taking a margin loan, you should carefully review Fidelity's Margin Account Agreement provided to you with your margin account application. Please contact Fidelity regarding any questions or concerns you may have with your margin accounts.

When you borrow on margin, the securities in your account become our collateral for the loan to you. A decline in the value of these securities is therefore a decline in the value of the collateral.

**Before using your securities as collateral, it's essential to fully understand the risks involved. These risks include, but are not limited to:**

- **You can lose more money than you deposited in your margin account.** If securities you bought on margin go down in price, you may face a "margin call," meaning you have to deposit more money or marginable securities.
- **Fidelity can set stricter margin requirements than the industry minimum, and can increase these "house" requirements without advance notice.** An increase may take effect immediately and may trigger a maintenance margin call without prior notice.
- **If you cannot meet a margin call, Fidelity can force the sale of assets in your account(s).** If the equity in your account falls below either industry minimums or Fidelity's house requirements, Fidelity can cover the deficiency by selling securities or other assets in any account of yours at Fidelity (including accounts at other Fidelity affiliates) without prior notice. If these assets are insufficient, you will be responsible for making up any shortfall, and potentially for paying Fidelity's costs for collecting the shortfall as well.
- **Fidelity can sell assets in your account without contacting you.** While Fidelity generally attempts to notify customers of margin calls, it is not required to do so. Even if you are notified, Fidelity can still sell assets before the time indicated in the notice, if it believes such action is warranted. You understand that if we contact you in advance in certain instances, we are not obligated to do so and such action will not be deemed a waiver of our rights under this agreement.
- **You are not entitled to choose which securities are sold to meet a margin call.** Because your accounts form Fidelity's collateral for its loan to you, the choice of what to sell is Fidelity's.
- **You are not entitled to a time extension on a margin call.** While Fidelity may grant you an extension, it is not required to do so. Granting an extension on a margin call does not waive Fidelity's right to decline to grant an extension in the future.
- **Short selling is a margin account transaction and entails the same risks as described above.** Fidelity can use your account to buy securities to cover a short position without contacting you. If you don't have sufficient assets, you are responsible for the shortfall and collection costs.
- **Fidelity can loan out (to itself or others) the securities that collateralize your margin borrowing.** If it does, you may not be entitled to receive, with respect to securities that are lent, certain benefits that normally accrue to a securities owner, such as the ability to exercise voting rights, or to receive interest, dividends, or other distributions. Although you may receive substitute payments in lieu of distributions, these payments may not receive the same tax treatment as actual interest, dividends, or other distributions, and you may therefore incur additional tax liability for substitute payments. Fidelity may allocate substitute payments by lottery or in any other manner permitted by law, rule, or regulation. Please note that any substitute payments Fidelity makes are voluntary, and may be discontinued at any time.
- **Checkwriting, cards, and bill payment service may increase your risk of a margin call.** Any debits that are posted to your account when no income or core account assets are available will drive up your margin balance.

► For more information, visit [Fidelity.com](https://www.fidelity.com) or call your Fidelity Representative at 800-544-6666.

