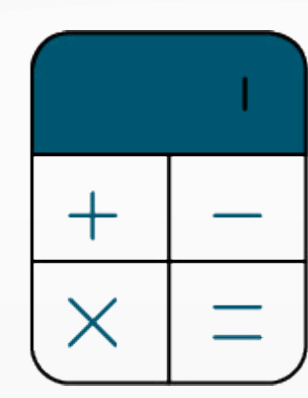


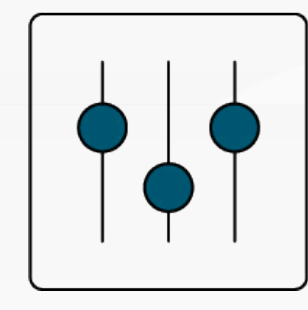
INVESTMENT ADVICE

Fidelity always puts the interests of our customers first and we take great pride in guiding our customers towards products and services that will help them live a better, more financially secure life. Fidelity is laser-focused on, and committed to, **delivering innovative products and services for the benefit of all our customers.**

What We Champion



Continued delivery of **low-cost** brokerage services



Ensuring investors continue to have **choice** and **access** to the products and services they need



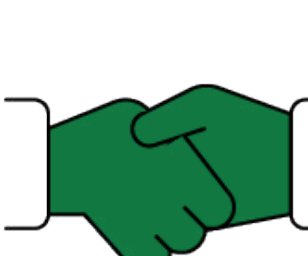
Investment advice that is provided in the investor's best interest with strong **investor protections**



How the SEC's Regulation Best Interest Changed the Industry

On June 30, 2020, the SEC's Regulation Best Interest (Reg BI) became effective. Reg BI is a strong and workable standard of conduct for broker-dealers that raised the industry standard and strengthened investor protections.

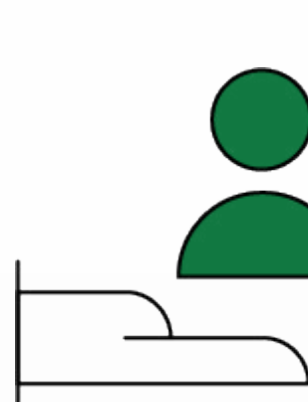
THE RULES:



Puts Customer's First by obligating brokers to act in the best interest of the retail investor without placing the financial or other interest of the broker-dealer ahead of the interest of the retail investor when making an investment recommendation.



Raised the Industry Standard by requiring brokers to disclose all material facts relating to conflicts of interest associated with a recommendation, such as a conflict associated with how a broker is compensated, and the fees and costs the customer may pay related to a security. In addition, the SEC strengthened existing broker standards by requiring brokers to consider the costs of a security and the reasonably available alternatives.



Preserves Customer Choice by allowing customers to choose the type of relationship and products that meet their needs. The retail customer is free to choose a relationship with a broker—brokers provide transaction-based services and are paid on a commission basis—or an adviser—advisers provide ongoing financial planning and account monitoring and are paid a fee based on the amount of customer assets managed.



Strengthens and Aligns Rules by strengthening brokerage rules, the SEC has created better alignment between the rules that apply to brokers and advisers. With the adoption of Reg BI, both brokers and advisers are required to provide recommendations or advice that is in the best interest of customer.

The Department of Labor (DOL) has also finalized rulemaking on investment advice

On February 16, 2021, the DOL's rulemaking on investment advice became effective. The rulemaking included a new Prohibited Transaction Exemption (PTE) as well as a reinterpretation and guidance related to its regulation defining who is an investment advice fiduciary under ERISA.

The PTE aligns with the strong investor protections of the SEC's Regulation BI.

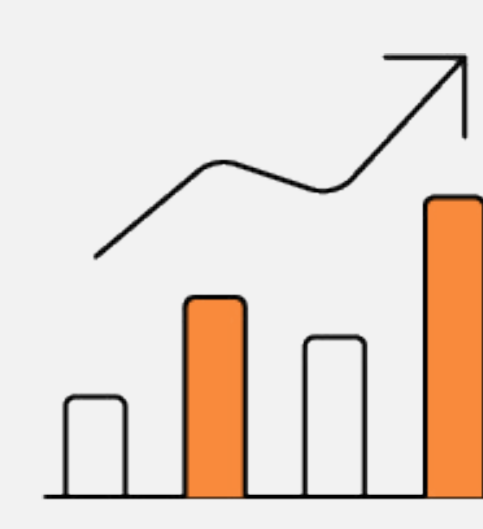


State Fiduciary Proposals

A number of states have pursued state-level standards of conduct for brokers and advisers. While well intended, a state-by-state patchwork of additional regulations, in conflict with federal laws, will lead to **unintended consequences including:**



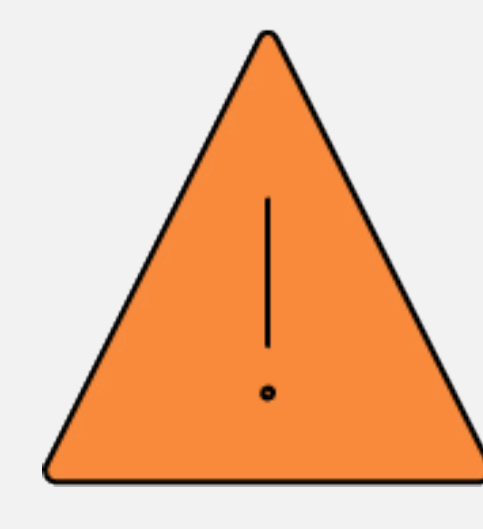
Limiting investment advice offerings and services for investors.



Increasing costs for investors.



Causing confusion for investors who will have different standards depending on the state they live in.



Imposing duplicative and conflicting burdens on financial professionals.

States should assess the impact of the SEC's Regulation BI and the DOL's rulemaking before moving forward with state-specific standards.

Why This Matters

An estimated **98% of low- and middle-income consumers** choose to open a brokerage account to receive point-in-time brokerage advice, rather than choosing the ongoing advice provided by an investment adviser for a fee.*

These state-level standards risk imposing duties that will **impact these consumers' ability to choose** the type of financial services they want to receive and the costs of those services.

Customers use **low-cost brokerage accounts** to save for retirement, college expenses and healthcare.

During times of uncertainty and market volatility, it is especially critical for consumers to continue to have **access to affordable brokerage advice** and guidance. Investors that seek the guidance of an investment professional feel more secure and prepared than investors that don't seek guidance.

*Oliver Wyman report: Assessment of the impact of the Department of Labor's proposed "fiduciary" definition rule on IRA consumers (April 12, 2011).