Introduction to Representatives’ Compensation

This disclosure document describes the compensation received by certain representatives of Fidelity Brokerage Services LLC (“FBS”), Portfolio Advisory Services (“PAS”), and Fidelity Investments Life Insurance Company (“FILI”) (for purposes of this document and unless otherwise specifically noted, “Fidelity,” “we,” and “our” shall collectively refer to FBS, PAS and FILI).

Fidelity offers a wide range of customer services and trains its representatives in a variety of roles to deliver those services effectively over the phone and in person. We believe part of providing investment guidance and information to our customers is helping customers understand how the representatives who assist them are compensated.

We describe below the various representatives who may serve you at Fidelity and provide information on how they are compensated. You may ask a representative at any time whether and how they are compensated with respect to any specific Fidelity product or program.

Compensation Components

Compensation for the Fidelity representatives discussed in this disclosure has three components: base pay, annual bonus and variable compensation. In addition, some representatives participate in cash and non-cash incentive programs, as more fully described below.

Base pay

All Fidelity representatives receive base pay. For most Fidelity representatives, base pay is at least half of their total annual compensation but can range from 31% to more than 95% of a representative’s pay.

Annual Bonus

The annual bonus is a percentage of base salary, determined through a manager assessment based on the representative’s performance related to client and organizational business objectives.

---

1 FBS representatives are employed by FBS, a broker-dealer registered under the Securities Exchange Act of 1934 and a member of the Financial Industry Regulatory Authority.

2 PAS for purposes of this document, refers to the products and services of Strategic Advisers, Inc. (SAI), a registered investment adviser, distributed by FBS. PAS representatives are agents of SAI and FBS.

3 FILI representatives may be employees of FBS, Fidelity Insurance Agency or FILI
Variable compensation

Fidelity representatives who do not receive an annual bonus are eligible to receive variable compensation. Fidelity representatives’ variable compensation is based on the following categories:

- Customer Experience Index /Customer Loyalty - based on overall customer experience or customer loyalty results along with the manager’s assessment of each representative’s contribution to the results
- Customer Development - based on customer net flows and customer investments in suitable products and service flows
- Retention - based on customers’ asset balances over a period of time
- Manager Assessment - based on the manager’s evaluation of the representative’s performance against certain objective measures

Some representatives also participate in occasional, short-term incentive programs focusing on a particular class of products or services.

Representatives who demonstrate exceptional performance during the year are also eligible for a one-time bonus for overall achievement or non-cash awards.

Conflicts of Interest

While Fidelity strives to design representative compensation plans that align the interests of our clients with those of the representative in identifying appropriate products and services, certain representatives have financial incentives to sell Fidelity proprietary products, including but not limited to Rollover IRAs, products managed by Strategic Advisers, and insurance products. Certain representatives also receive differing compensation for different product types, for example, managed account and insurance product sales, which require more in-depth engagement with clients, provide more compensation than products such as money market funds. Importantly, representatives do not have a financial incentive to promote Fidelity mutual funds over non-Fidelity mutual funds. It is also important to note that in this area of compensation, as in all others, Fidelity considers whether representatives are providing guidance about appropriate products and services based upon customer needs. We take this approach to client relationships very seriously, and review representative interactions in order to help ensure this standard.
Representatives’ Compensation

Fidelity is dedicated to serving the needs of our customers through all of the interactions they may have with our representatives. We strive to design representative compensation plans that align the interests of our clients with those of the representative in identifying appropriate products and services. We believe part of providing investment guidance and information to our customers is helping customers understand how the representatives who assist them are compensated. Our compensation plans are designed to encourage representatives to establish and maintain strong customer relationships, and deliver personalized guidance, which emphasizes and promotes the benefits of long-term investing and sticking to a financial plan throughout market cycles. They are also designed to ensure that our representatives are motivated and compensated appropriately to provide you the best possible service.

Fidelity’s investment philosophy emphasizes the central importance of investing for the long term, based on well-balanced asset allocation and a diversified, risk-appropriate portfolio. Fidelity offers a wide range of customer services and trains its representatives in a variety of roles to deliver those services effectively over the phone and in person. We describe below the various representatives who may serve you at Fidelity and provide information on how they are compensated. Please note that the information below describes how Fidelity compensates its representatives, not how you pay Fidelity for the services you receive. Information about what you pay Fidelity for the services we provide can be found at the following website:


Our compensation plans for our representatives change from time to time. The information provided in this disclosure was last updated on June 27, 2015.

Compensation Components

Compensation for the Fidelity representatives discussed in this disclosure has three components: base pay, variable compensation and annual bonus. In addition, certain representatives may be eligible to participate in certain cash and non-cash incentive programs, as more fully described below. While the structure of Fidelity’s incentive programs for representatives is disclosed in this document, customers may also ask a representative - at any time - whether and how that representative is compensated with respect to customer investments in any particular product or service, including whether the product or service is the subject of an incentive program.
Base pay

All Fidelity representatives receive some amount of base pay -- a predetermined and fixed annual salary paid in bi-weekly installments. Base pay varies between representatives based on experience, position, and seniority. For most Fidelity representatives, base pay is at least half of their total annual compensation but can range from 31% to more than 95% of a representative’s pay. Branch Financial Consultants receive a base salary that is approximately 31% of their total annual compensation. Base pay may be adjusted annually to reflect changes in cost of living, position responsibilities, and other marketplace factors. Some representatives may also be eligible for additional annual merit increases to their base pay as determined by their manager, as a reward for meeting or exceeding role expectations or developing job-related skills, or to align their pay based on seniority and experience as viewed in relation to that of their peers.

Variable compensation

In addition to base pay, Fidelity representatives may also be eligible to receive variable compensation. Variable compensation typically constitutes from 5% to 69% of a representative’s total annual compensation, but may, in some cases, be significantly more of the representative’s compensation. Branch Financial Consultants’ variable compensation typically represents approximately 69% of total compensation. Set forth below are the different components of variable compensation for each type of representative. It is important to note that compensation arrangements for Fidelity representatives do not differentiate between affiliated and non-affiliated funds - Fidelity representatives do not receive greater compensation for a customer investment in a Fidelity mutual fund than for a customer investment in a non-Fidelity mutual fund.

Annual Bonus

In addition to base pay, for Fidelity Wealth Management Advisory, Wealth Management Relationship Officer, Regional Brokerage Consultants, Regional Planning Consultants, Planning and Guidance Consultants, Regional Consultants, Vice President Private Client Group, Stock Plan Services Relationship Officers, High Net Worth Bond Desk, Regional Training Consultants, and Executive Planning Consultants are paid an annual bonus. The annual bonus is a percentage of base salary, determined through a manager assessment which takes into consideration the representative's performance related to client and organizational business objectives, both in absolute terms and relative to other similarly situated representatives.
Customer Experience Index
(Appplies to all representatives, except FILI Branch Planning Consultant (FILI), FILI Phone Planning Consultant (FILI), FILI Life Planning Consultant (FILI), Proactive Asset Retention Specialist (FBS), Outbound Testing Specialist (FBS), Phone and Branch Vice President, Financial Consultant (FBS), Phone Investment Solutions Representative (FBS), Phone Retirement Solutions Representative (FBS), Phone and Branch Financial Consultant (FBS), Phone PAS Vice President, Financial Consultant and Financial Consultant (FBS), Branch Relationship Manager (FBS), Branch Senior Relationship Manager I and II (FBS), Branch Investment Consultant (FBS), Branch Financial Representative (FBS), Phone Assigned Relationship Manager (FBS), Phone PAS Assigned Relationship Manager (FBS), Phone Team Support Specialist (FBS), Retirement Relationship Manager (FBS), Wire Risk Specialist (FBS), Senior Wire Risk Specialist (FBS), Active Trader VIP (FBS), Margin Trading Specialist (FBS), Senior Margin Trading Specialist (FBS), Investment Consultant (PAS), TEM Workplace Planning and Guidance Consultants, TEM Inside Workplace Planning and Guidance Consultants (FBS), TEM Retirement Associate (FBS), TEM Guidance Consultant (FBS), TEM Workplace Financial Consultant (FBS), TEM Wealth Planning Consultant (FBS), Executive Services Relationship Manager (FBS), Phone and Branch Central Relationship Manager (FBS), and Branch Financial Consultant I (FBS)).

Fidelity hires an outside vendor to conduct an unbiased survey designed to measure customer satisfaction, which is called the Customer Experience Index (“CEI”). The survey asks customers questions about recent interactions with Fidelity representatives, and also provides an opportunity for customers to give feedback in their own words. The vendor collects the data by branch or phone site and reports the results to Fidelity quarterly.

Compensation based on customer satisfaction, using CEI scores, is paid quarterly. Fidelity funds a bonus pool for phone sites and teams based on their performance against CEI benchmarks established by Fidelity. The specific benchmarks used are tailored as appropriate from one role to another as well as from one site to another. Once the bonus pool is established, each manager determines how to distribute the bonus pool to his or her representatives. In addition to CEI survey results, the manager distributes the bonus pool based on the manager’s evaluation of each representative’s contribution to the team’s CEI results. The manager reviews a number of factors including, for example:

- Customer feedback, whether positive or negative and direct or indirect;
- Interaction quality, based on manager assessment;
- Manager observations;
- Call efficiency (for phone representatives);
- Teamwork as demonstrated by the representative’s willingness to help the site or team;
- Number and nature of escalations to manager;
- Guidance plan implementation;
• Recognition of efforts to drive team or department client satisfaction; and
• Compliance with Fidelity’s policies and procedures.

Several categories of representatives (noted above) do not receive a separate CEI bonus. Nonetheless, surveys regarding customer interactions with these representatives are completed and results are reported to Fidelity. For these representatives, customer satisfaction, as measured by CEI, is reviewed in connection with a component of the variable compensation called manager assessment bonus, and the survey results are considered by the manager as an element of that bonus.

**Customer Loyalty**

*(For Phone and Branch Vice President, Financial Consultant (FBS), Phone and Branch Financial Consultant (FBS), Phone PAS Vice President, Financial Consultant and Financial Consultant (FBS), Phone PAS Assigned Relationship Manager (FBS), Phone Assigned Relationship Manager (FBS), Branch Senior Relationship Manager II (FBS), Branch Investment Consultant (FBS), Active Trader VIP (FBS), and Branch Financial Representative (FBS)).*

Fidelity hires an outside vendor to conduct an unbiased survey about customer loyalty. The survey asks customers questions about their likelihood to recommend Fidelity to others and their overall satisfaction with Fidelity and with their Fidelity representative. The vendor collects the data by branch or phone site and reports the results to Fidelity quarterly.

Compensation based on customer loyalty scores is paid quarterly. Fidelity funds a bonus pool for each representative based on their team’s or branch’s success in meeting or exceeding customer loyalty benchmarks established by Fidelity as compared to a branch national median score or phone channel goal. Once the bonus pool is established, each manager determines how to distribute the bonus pool to his or her representatives. In addition to loyalty survey results, the manager distributes the bonus pool based on the manager’s evaluation of each representative’s contribution to the team’s or branch’s overall customer satisfaction results. The manager reviews a number of factors including, for example:

• Compliance with Fidelity’s policies and procedures;
• Customer feedback, whether positive or negative and direct or indirect;
• Interaction quality, based on manager assessment;
• Manager observations;
• Call efficiency (for phone representatives); Teamwork as demonstrated by the representative’s willingness to help the site or team;
• Number of escalations to manager;
• Guidance plan implementation;
• Recognition of efforts to drive team or department client satisfaction
Customer Development
The FBS, FILI and PAS representatives listed below receive variable compensation based on objective and subjective measures of their success in attracting client assets, including customer investments in suitable product and service flows and measurement of customer net flows. Net flows are measured as assets deposited by a customer at Fidelity minus assets withdrawn by the same customer measured over a period of time following certain interactions between the customer and a representative. In addition, FILI representatives are eligible to receive variable compensation based on the representative’s ability to meet certain established goals for customer investments, as more fully described below.

Phone PAS Vice President, Financial Consultant and Financial Consultant
Representatives are ranked in tiers and are awarded quarterly bonuses based on their tier. Representative rank is based on investments in Portfolio Advisory Services and products offered through Fidelity Investments Life Insurance (proprietary and non-proprietary).

Phone and Branch Vice President, Financial Consultant, Phone and Branch Financial Consultant, Phone PAS Vice President, Financial Consultant and Financial Consultant and Branch Investment Consultant
Branch Vice President, Financial Consultants and Branch Financial Consultants receive compensation on a semi-annual basis and Phone Vice President, Financial Consultants, Phone Financial Consultants, Phone PAS Vice President, Financial Consultants, Phone PAS Financial Consultants and Branch Investment Consultants receive compensation on a quarterly basis in this element of variable compensation of:

- **Acquisition**
  - Phone and Branch Vice President, Financial Consultants, Phone and Branch Financial Consultants, and Phone PAS Vice President, Financial Consultants and Financial Consultants
    - 5 basis points on acquisition of net flows
  - Branch Investment Consultants
    - 4 basis points on acquisition of net flows

- **Invested**
  - Phone and Branch Vice President, Financial Consultants, Phone and Branch Financial Consultants, and Phone PAS Vice President, Financial Consultants and Financial Consultants and Branch Investment Consultants
    - 1 basis point for investments in money markets, CDs and treasuries greater than two years;
    - 3 basis points for investments in long term funds, exchange traded funds, college investment trusts, 529 plans, and bonds with maturities greater than two years excluding CDs and treasuries;
    - 7 basis points for investments in Portfolio Advisory Services and products offered through Fidelity Investments Life Insurance (proprietary and non-proprietary);
1 basis point for Broker Dealer client referrals to Fidelity Wealth Management Advisory and Wealthy Family referrals to Fidelity’s Family Office;
2 basis points for referrals to Fidelity’s Charitable Gift Fund, Fidelity’s Workplace Investing Defined Contribution and Tax Exempt Market; and
7 basis points for Fidelity’s Wealth Advisor Solutions, Investment Advisor client referrals to Fidelity’s Wealth Management Advisory, and Single/Multi Family Office referrals to Fidelity’s Family Office

Payment of compensation is subject to manager evaluation to ensure that the representatives act appropriately in light of customer needs. In addition, the bonus is subject to a quarterly client level and annual component caps.

Active Trader Brokerage Consultant
On a quarterly basis representatives receive a bonus based on achievement of goals as compared to a national acquisition median.

PAS Investment Consultant
Consistent with Fidelity’s focus on encouraging customers to maintain appropriate asset allocation and stick to a financial plan throughout market cycles, PAS Investment Consultants in Fidelity’s PAS program receive a monthly bonus based on a number of factors including the achievement of their individual goals relative to the national median achievement to goal.

Phone Retirement Relationship Manager
On quarterly basis representatives receive a bonus based on their contribution to the acquisition of net flows as compared to a site acquisition median.

PAS Portfolio Specialist and Senior Portfolio Specialist
Representatives receive a monthly acquisition incentive of 2 basis points for all new business generated by a representative, whether from new or existing clients.

FILI Branch Planning Consultant, Phone Planning Consultant, and Annuity Sales Representative
Representatives are eligible to receive additional compensation based on the representative’s ability to meet certain monthly goals related to customer investments in suitable insurance solutions. Each representative’s performance is measured and paid on a monthly basis.
TEM Workplace Planning & Guidance Consultants, TEM Inside Workplace Planning & Guidance Consultants and TEM Wealth Planning Consultants
On a quarterly basis representatives receive a bonus based on their achievement of goals implementing guidance solutions both at the individual level and team level as compared to a national median.

TEM Workplace Financial Consultants
On a quarterly basis representatives receive a bonus based on role target.

Branch Financial Consultants I
On a monthly basis representatives receive a bonus based on role target.

Retention
The FBS and PAS representatives listed below receive variable compensation based on their success in retaining client assets. Retention measures a customer’s asset balances at Fidelity over a period of time. It is important to note that to the extent that customer investments in products and services are reviewed in connection with the compensation plan, the review looks at whether representatives are providing guidance about appropriate products and services based upon customer needs.

Portfolio Specialist and Senior Portfolio Specialist
Representatives receive the following customer retention bonuses:
- A monthly bonus based on the representative’s ability to retain client assets which is determined by calculating the percentage of net redemptions versus the total amount of assets under management (“AUM”) for each representative.
- A quarterly client retention bonus that compares the representative’s percentage of net redemptions versus AUM to all other representatives in the same job category.

Phone and Branch Vice President, Financial Consultant and Phone and Branch Financial Consultant
Representatives receive the following customer retention bonus:
- A quarterly client retention bonus that compares a representative’s effectiveness at retaining a customer’s assets under administration in the groupings listed below. The customer retention bonus for Phone and Branch Vice President, Financial Consultant, Phone and Branch Financial Consultant is objective with the bonus opportunity weighted 10%, 30% and 60% respectively for the below groupings. These weightings are consistent with Fidelity’s investment philosophy, which emphasizes the central importance of investing for the long term, based on well-balanced asset allocation and a diversified, risk-appropriate portfolio:
- Group 1 - Investments in money markets, CDs and treasuries;
- Group 2 - Investments in long term funds, exchange traded funds, college investment trusts, 529 plans, and bonds excluding treasuries;
- Group 3 - Investments in Portfolio Advisory Services and proprietary and non-proprietary products offered through Fidelity Investments Life Insurance Co. or through eFILI in New York.

- The products and service types listed above are representative of the items included in each group, but are not intended to be an exhaustive list of all products and services used in calculating retention compensation.

**Phone PAS Vice President, Financial Consultant and Financial Consultant**

- A quarterly client retention bonus that compares the representative’s percentage of net redemptions versus AUM to all other representatives in the same job category.

**Manager Assessment**

(For Branch Relationship Manager (FBS), Branch Senior Relationship Manager I and II (FBS), Phone Proactive Asset Retention Specialist (FBS), Phone Outbound Testing Specialist (FBS), Phone Investment Solutions Representative (FBS), Phone Retirement Solutions Representative (FBS), Phone Retirement Relationship Manager (FBS), Active Trader Brokerage Consultant (FBS), Active Trader Services Representative (FBS), Active Trader VIP (FBS), Active Trader Service Senior Brokerage Representative (FBS), Executive Services Relationship Manager (FBS), Client Management Representative (PAS), Portfolio Specialist (PAS), Investment Consultant (PAS), Senior Portfolio Specialist (PAS), Phone Planning Consultant (FILI), Branch Planning Consultant (FILI), Life Planning Consultant (FILI), Senior Customer Service Representative (FILI), Wire Risk Specialist (FBS), Senior Wire Risk Specialist (FBS), Margin Trading Specialist (FBS), Senior Margin Trading Specialist (FBS) and Phone Team Support Specialist (FBS), TEM Workplace Planning and Guidance Consultants, TEM Inside Workplace Planning and Guidance Consultants (FBS), TEM Retirement Associate (FBS), TEM Guidance Consultants (FBS), TEM Wealth Planning Consultants (FBS), Phone and Branch Central Relationship Manager (FBS)).

The manager assessment bonus is an element of variable compensation awarded at the discretion of each representative’s manager. It is based on the manager’s evaluation of the representative’s performance and certain objective measures. The manager reviews performance of job activities and whether the representative achieved various goals -- both in absolute terms and relative to other similarly situated representatives. It is important to note in this area of representative performance, as in all others, a manager considers whether representatives provide guidance about appropriate products and services based upon customer needs. We take this approach to client relationships very seriously, and review representative interactions in order to help ensure this standard.
The manager’s evaluation consists of several factors, including:

- The representative’s ability to support the use of guidance tools to provide needs-based solutions for customers;
- The representative’s leadership and teamwork, including the representative’s compliance with Fidelity policies, procedures, compliance and codes of ethics;
- The representative’s presentation skills, call quality and/or feedback from supported business partners and other representatives;
- For FBS representatives listed above with the exception of those listed below, the representative’s ability to meet certain target requirements regarding certain investment solutions for customers including mutual funds, fixed income securities, insurance product solutions, and managed accounts. The targets are established based on FBS’ experience regarding the percentage of clients for whom particular products or services should be appropriate;
- For FILI Branch Planning Consultant, Phone Planning Consultant, the representative’s ability to meet certain target requirements regarding insurance product solutions for customers;
- For FILI Senior Customer Service Representative, the representative’s ability to meet specific goals and expectations in coaching effectiveness, training, call tracking, and reporting activities;
- For FILI Life Planning Consultant, the representative’s ability to meet specific goals and expectations in appointment activity, interaction quality, business plan execution and product solutions for customers;
- For Senior Portfolio Specialist and Portfolio Specialist, consistent with Fidelity’s focus on encouraging customers to maintain appropriate asset allocation and stick to a financial plan throughout market cycles, the representative’s ability to meet certain target requirements regarding, for example, the number of investor profile questionnaires submitted and PAS presentations completed. The targets are established based on FBS’ experience regarding the percentage of clients for whom these products should be appropriate;
- For Phone Retirement Solutions Representative, Phone Retirement Relationship Manager, and Phone Investment Solution Representative the representative’s ability to meet certain target requirements regarding acquisition and retention of investment solutions plus operational and productivity performance.
- For PAS Client Management Representative the representative’s ability to meet certain target requirements regarding acquisition and retention of managed account solutions plus operational and productivity performance.
• For Active Trader Representative and Senior Brokerage Representative listed above the representative’s ability to meet specific goals and expectations in business contributions, risk management, brokerage product support, lead production and professional development.

• For TEM Workplace Planning and Guidance Consultant, TEM Inside Workplace Planning and Guidance Consultant TEM Retirement Associate, TEM Guidance Consultant and TEM Wealth Planning Consultant the representative’s ability to meet specific goals and expectations in client satisfaction, plan level satisfaction and participant initiatives including the identification of appropriate participant solutions.

The relative importance of each of these factors depends on the representative’s role and is adjusted over time to reflect changes in the marketplace, changing priorities within the firm, and the firm’s current focus on particular skills or areas. For Branch Relationship Manager (FBS), Branch Senior Relationship Manager I (FBS) Phone and Branch Central Relationship Manager (FBS), Phone Proactive Asset Retention Specialist (FBS), Phone Investment Solutions Representative (FBS), Phone Retirement Solutions Representative (FBS), Phone Retirement Relationship Manager (FBS), Phone Team Support Specialist (FBS), and Phone Outbound Testing Specialist (FBS), who do not receive a separate customer satisfaction (CEI) or Loyalty bonus as a component of their variable compensation, Customer Satisfaction and quality results are a factor used by managers in determining the manager assessment bonus.

**Customer Engagement and Productivity**
*(For Active Trader VIP, Active Trader Service Senior Brokerage Representative, and Active Trader Services Representative)*

On a quarterly basis representatives receive a bonus based on achievement of productivity results as compared to their team’s average results.

**Business Development Lead Generation**
*(For FILI Customer Service Representative, Active Trader VIP, Active Trader Services Representative)*

On quarterly basis representatives receive a bonus based on their contribution to business development leads generated.

**Book Engagement Index**
*(For Phone Retirement Relationship Manager)*

On a semi-annual basis representatives receive a bonus based on achievement of book engagement results as compared to a site rank.
Achiever Award
(For Senior Portfolio Specialist (PAS), Portfolio Specialist (PAS), Phone Retirement Relationship Manager (FBS), Phone and Branch Vice President, Financial Consultant (FBS), Phone and Branch Financial Consultant (FBS), and Phone PAS Vice President, Financial Consultant and Financial Consultant (FBS)).

Some of our representatives may also receive an Achiever Award as part of their variable compensation. This bonus is generally awarded to top representatives on an annual or semi-annual basis.

Phone PAS Vice President, Financial Consultant and Phone PAS Financial Consultant
Representative rank is based on net redemptions, investments in Portfolio Advisory Services and insurance products offered through FILI (proprietary and non-proprietary) and net flows for which the representatives received credit. Top representatives are ranked in tiers and are awarded bonuses based on their tier. Currently the number of recipients and bonus dollars awarded depend on the type of representative and their relevant tier.

PAS Senior Portfolio Specialist and Portfolio Specialist
Representative rank is based on net redemptions and total net assets for which the representatives received credit. Top representatives are ranked in tiers and are awarded bonuses based on their tier. Currently the number of recipients and bonus dollars awarded depend on the type of representative and their relevant tier.

Phone Retirement Relationship Manager
Representative rank is based on total acquisition of net flows, cumulative rollover retention rate and book engagement index ranking. Top representatives are ranked in tiers for their site and are awarded bonuses based on their tier.

Phone Vice President, Financial Consultant and Phone Financial Consultant
Representative rank is based on total acquisition bonus, total investment product and service bonus, customer retention bonus and customer loyalty bonus. Top representatives are ranked in tiers and are awarded bonuses based on their tier. Currently the number of recipients and bonus dollars awarded depend on the type of representative and their relevant tier.

Branch Vice President, Financial Consultant and Branch Financial Consultant
Representatives are eligible to receive additional compensation based on the representative’s ability to meet certain annual compensation thresholds related to their acquisition, development and loyalty measures.
**Other Compensation**

From time to time, one or more categories of our representatives may participate in short-term, temporary incentive programs that focus on a particular class of products or services. The goal is to further representatives’ awareness about and familiarity with these products and services and how they may serve our customers’ needs. Representatives may receive various non-cash rewards in these programs, which may be based on customer investments in products and services, including but not limited to the number of referrals for particular products or services that they make or investment transactions. It is important to note that in this area of compensation, as in all others, Fidelity considers whether representatives are providing guidance about appropriate products and services based upon customer needs. We take this approach to client relationships very seriously, and review representative interactions in order to help ensure this standard.

While the structure of Fidelity’s incentive programs for representatives is disclosed in this document, customers may also ask a representative - at any time - whether and how that representative is compensated with respect to customer investments in any particular product, including whether the product is the subject of an incentive program.

**Potential Conflicts of Interest**

As disclosed in this document, representatives who offer certain services may receive compensation as a direct or indirect result of your selection of those services. This compensation may be more than what the representative would receive if you participated in other programs or services. Therefore, representatives may have a financial incentive to offer certain programs or services. It is important to note that in this area of compensation, as in all others, Fidelity considers whether representatives are providing guidance about appropriate products and services based upon customer needs. We take this approach to client relationships very seriously, and review representative interactions in order to help ensure this standard.

Consistent with Fidelity’s focus on encouraging customers to maintain appropriate asset allocation and stick to a financial plan throughout market cycles, certain Fidelity representatives receive economic incentives for distributing and servicing products managed by Strategic Advisers. Representatives who recommend Strategic Advisers’ products receive increased compensation both as a result of customer investments in those products and for their success in retaining assets in those programs; this compensation is generally greater than what the representative would receive in connection with other business development and service programs. In addition, Fidelity representatives may participate in incentive programs and may earn additional rewards based on criteria including, but not limited to, the number of recommendations for advisory services that they make or customer investments in advisory products and
services. Therefore, Fidelity representatives who distribute and service Strategic Advisers’ products may have a number of financial incentives to recommend, or recommend continued participation in, Strategic Advisers’ products over other programs and services.

In addition, Fidelity employees may participate in incentive contests and may earn various non-cash rewards based on customer investments in products and services and other criteria, including but not limited to the number of referrals for particular programs or services that they make or customer investments in certain types of products or services. Such reward programs will generally rank representatives or teams against other eligible representatives or teams and determine the eligibility for rewards based on that ranking. Therefore, representatives may have a financial incentive to offer those programs, services, or products. It is important to note that in this area of compensation, as in all others, Fidelity considers whether representatives are providing guidance about appropriate products and services based upon customer needs.

Most Fidelity representatives are eligible to receive some amount of variable compensation, in addition to their base pay. For certain representatives, a factor that is evaluated in determining the variable compensation is the representative’s success in presenting and selling a wide array of proprietary and nonproprietary products and services offered by Fidelity, including, for example, mutual funds, fixed income securities, insurance products and managed accounts. These representatives may have a financial incentive to offer certain types of products to you, and the offering of such products may be considered, among many other factors, in the assessment of a representative's performance. It is important to note that in this area of compensation, as in all others, Fidelity considers whether representatives are providing guidance about appropriate products and services based upon customer needs.

Certain Fidelity representatives may suggest that you consider purchasing a Fidelity mutual fund. Each Fidelity fund pays investment management fees to FMR and/or its affiliates. In addition, FBS and its affiliates are compensated for providing distribution, transfer agency, shareholder servicing and custodial and other services to certain affiliated and non-affiliated funds. The compensation received by Fidelity and its affiliates from investments in affiliated mutual funds will generally exceed the compensation received from investments in non-affiliated funds. While FMR and FBS may receive a benefit related to the sale of mutual funds, FBS representatives do not receive any such benefit.

FBS also receives compensation from iShares ETF advisor or its affiliates in connection with a marketing program that includes promotion of iShares funds, as well as the waiver of commissions for online trades in certain iShares funds ("Marketing Program"). FBS is entitled to receive additional payments during or after termination of the Marketing Program based upon a number of criteria, including the overall success of the Marketing Program and the continuance of commission waivers. The Marketing Program creates
significant incentives for FBS to encourage customers to buy iShares funds. Additional information about the sources, amounts, and terms of compensation is described in the ETF's prospectus and related documents.

Representatives may offer to you certain securities for which a Fidelity affiliate, NFS, acted as underwriter. NFS receives a sales concession on all securities sold by it during the underwriting. NFS has an interest in selling all of the shares allotted to it in the underwriting, both through FBS representatives and through other channels. NFS may also act as a principal in certain securities transactions with you, in which case it will be buying from you or selling securities to you for its own account. In its proprietary accounts, NFS may take positions adverse to the positions you take and may profit from its transactions with you. While NFS may receive a benefit related to the sale of securities in which it acts as underwriter or trades on a principal basis, FBS representatives do not receive any such benefit.