



# **Fidelity Premium Fixed Income Capital Yield Private Pool of the Fidelity Capital Structure Corp.**

**Semi-Annual  
Management Report of  
Fund Performance**  
May 31, 2011



## **Caution Regarding Forward-looking Statements**

Certain portions of this report, including, but not limited to, “Results of Operations” and “Recent Developments”, may contain forward-looking statements about the Class, including its strategy, risks, expected performance and condition. Forward-looking statements include statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as “expects”, “anticipates”, “intends”, “plans”, “believes”, “estimates” and similar forward-looking expressions or negative versions thereof.

In addition, any statement that may be made concerning future performance, strategies or prospects, and possible future Class action, is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Class and economic factors. Accordingly, assumptions concerning future economic and other factors may prove to be incorrect at a future date.

Forward-looking statements are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied in any forward-looking statements made by the Class. Any number of important factors could contribute to these digressions, including, but not limited to, general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, and catastrophic events.

It should be stressed that the above-mentioned list of important factors is not exhaustive. You are encouraged to consider these and other factors carefully before making any investment decisions and you are urged to avoid placing undue reliance on forward-looking statements. Further, you should be aware of the fact that the Class has no specific intention of updating any forward-looking statements whether as a result of new information, future events or otherwise, prior to the release of the next Management Report of Fund Performance.

# **Semi-Annual Management Report of Fund Performance as at May 31, 2011 Fidelity Premium Fixed Income Capital Yield Private Pool of the Fidelity Capital Structure Corp.**

*This semi-annual management report of fund performance contains financial highlights but does not contain the complete semi-annual financial statements for the investment fund. You can get a copy of the semi-annual financial statements at your request, and at no cost, by calling 1-800-263-4077, by writing to us at Fidelity Investments, 483 Bay St. Suite 300, Toronto ON M5G 2N7 or by visiting our website at [www.fidelity.ca](http://www.fidelity.ca) or SEDAR at [www.sedar.com](http://www.sedar.com).*

*Security holders may also contact us using one of these methods to request a copy of the investment fund's proxy voting policies and procedures, proxy voting disclosure record or quarterly portfolio disclosure relating to the investment fund.*

## **Management Discussion of Fund Performance**

### **Results of Operations**

Fidelity Premium Fixed Income Capital Yield Private Pool ("Class") invests primarily in Canadian equity securities ("Equity Portfolio") and enters forward contracts under which it will sell forward the Equity Portfolio in exchange for cash payments equal to the return of an investment in units of Fidelity Canadian Bond Fund ("Reference Fund"), less the costs of the forward and hedging costs.

Fidelity Premium Fixed Income Capital Yield Private Pool, Series B, returned 1.6%, after fees and expenses, for the six-month period ended May 31, 2011. The net returns of the other series of this Class are similar to those of Series B, except for differences attributable to expense structures. By way of comparison, the DEX Universe Bond Index, broadly representative of the Canadian bond market, returned 2.3% (in Canadian dollar terms). The underperformance was largely due to negative sector selection of government bond securities.

The economic recovery in Canada continued at a moderate pace, despite showing slight weakness in economic activity. The economy expanded by 3.9% on an annualized basis in the first quarter of 2011, compared with an increase of 3.3% in the fourth quarter of 2010, after businesses replenished inventories and boosted investment spending, and exports rose. However, the Bank of Canada maintained its target for the overnight rate at 1.0% during the period; the economic recovery continues broadly as expected. During May 2011, conservatism prevailed as market participants grew uncertain about the direction of the markets, given the imminent approach of the end of the current quantitative easing program in the U.S. Continuing sovereign debt concerns in Europe and signs that manufacturing activity in key economies may be slowing did little to ease matters.

At the end of the review period, the Reference Fund had its largest absolute exposure to government securities, followed by corporate fixed-income securities. Among corporate issuers, the Reference Fund had a large exposure to financial issuers; portfolio manager Brian Miron believes that Canadian banks have solid balance sheets, compared with their global peers. The Reference Fund had a large overweight in ABS (Asset-backed security – a security backed by a specified pool of underlying assets) and an out-of-benchmark allocation to CMBS (Commercial mortgage-backed securities – a type of mortgage-backed security backed by mortgages on commercial rather than residential real estate), which both contributed to performance during the period.

### **Recent Developments**

Portfolio manager of the Reference Fund Brian Miron is optimistic about the investment opportunities created by current market conditions. In the Canadian corporate sectors, he is seeing compelling values among solid and fundamentally well-capitalized companies, and is allocating opportunistically in the corporate debt sector. In general, the portfolio manager believes that many Canadian corporations have sound balance sheets; however, during this period of economic recovery, the Reference Fund remains well diversified, highly liquid and strongly positioned in defensive names to take advantage of buying opportunities that near-term market dislocations may provide.

### **Independent Review Committee**

Susan E.C. Mey retired from the Independent Review Committee on February 23, 2011, and Helen Meyer was appointed on the same date for a term of three years.

### **Accounting Standards**

#### *Changeover to International Financial Reporting Standards*

The Canadian Accounting Standards Board (AcSB) of the Canadian Institute of Chartered Accountants (CICA) had planned to adopt International Financial Reporting Standards (IFRS), as published by the International Accounting Standards Board, effective January 1, 2011. In January 2011, the AcSB deferred the adoption of IFRS for investment companies, which include investment funds. Investment companies may continue to apply existing GAAP standards until fiscal years beginning on or after January 1, 2013.

The manager is reviewing and developing a plan to meet the above timetable for changeover to IFRS. The impact of IFRS on accounting policies and implementation decisions will mainly be in the areas of presentations and disclosures in the financial statements of the Class. Currently, two significant areas that may impact the presentation are IAS 32 Financial Instruments: Presentation, and IAS 27 Consolidated and Separate Financial Statements. The manager is currently assessing the Class' shareholder structure and investments to determine the impact of these standards. The manager has currently not identified any changes that will impact net asset value per share (NAVPS) as a result of the changeover to IFRS. However, this present determination is subject to change resulting from the issuance of new standards or new interpretations of existing standards.

## **Fidelity Premium Fixed Income Capital Yield Private Pool of the Fidelity Capital Structure Corp. Management Discussion of Fund Performance – continued**

### **Related Party Transactions**

#### **Manager and Portfolio Adviser**

The Class is managed by Fidelity Investments Canada ULC (Fidelity). Fidelity is a wholly-owned subsidiary of FMR LLC. FMR LLC is the parent company of a group of subsidiaries collectively known as Fidelity Investments.

Fidelity provides or arranges for the provision of all general management and administrative services required by the Class in its day-to-day operations, including providing or arranging the provision of investment advice, establishment of brokerage arrangements relating to the purchase and sale of the investment portfolio, bookkeeping, record-keeping and other administrative services for the Class.

The Class' portfolio adviser is Fidelity and it provides investment advisory services to the Class.

As a result of providing investment advisory and management services, Fidelity receives a monthly management fee, based on the average net assets of each Series, calculated daily and payable monthly. The Class paid Fidelity management fees of \$217,000 for the period ended May 31, 2011.

#### **Administration Fee**

Fidelity charges the Class a fixed administration fee in place of certain variable expenses. Fidelity, in turn, pays all of the operating expenses of the Class, other than certain specified class costs (e.g. the fees and expenses of the Independent Review Committee, taxes, brokerage commissions and interest charges). The Class pays an annual rate based on the average net assets of each Series. The Class paid Fidelity administration fees of \$30,000 for the period ended May 31, 2011.

# Financial Highlights

The following tables show selected key financial information about the Class and are intended to help you understand the Class' financial performance for the period end of the years shown. This information is derived from the Class' audited annual and/or unaudited semi-annual financial statements. Please see the front page for information about how you can obtain the Class' annual or semi-annual financial statements.

## Series B

	Six-months ended May 31, 2011	Periods ended November 30, 2010 <sup>A</sup>
<b>The Series' Net Assets per Share</b>		
Net assets, beginning of period <sup>B,H</sup>	\$ 9.9494	\$ 10.0000
<b>Increase (decrease) from operations:</b>		
Total revenue	.0010	.0015
Total expenses	(.0581)	(.0210)
Realized gains (losses)	.2052	(.2238)
Unrealized gains (losses)	.0748	.1220
<b>Total increase (decrease) from operations<sup>B</sup></b>	<b>.2229</b>	<b>(.1213)</b>
<b>Distributions:</b>		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	—	—
<b>Total distributions<sup>B,C</sup></b>	<b>—</b>	<b>—</b>
<b>Net assets, end of period<sup>B,H</sup></b>	<b>\$ 10.1136</b>	<b>\$ 9.9494</b>
<b>Ratios and Supplemental Data</b>		
Net asset value (000s) <sup>D</sup>	\$ 36,028	\$ 19,094
Shares outstanding <sup>D</sup>	3,559,824	1,917,398
Management expense ratio <sup>E</sup>	1.15%	1.02%
Management expense ratio before waivers or absorptions <sup>E</sup>	1.15%	1.02%
Portfolio turnover rate <sup>F</sup>	520%	214%
Trading expense ratio <sup>G</sup>	—%	—%

<sup>A</sup> For the period September 10, 2010 to November 30, 2010.

<sup>B</sup> Net assets and distributions are based on the actual number of shares outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per share.

<sup>C</sup> Distributions were paid in cash or reinvested in additional shares of the Class, or both.

<sup>D</sup> This information is provided as at period end of the year shown.

<sup>E</sup> Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net asset values during the period.

<sup>F</sup> The Class' portfolio turnover rate indicates how actively the Class' portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Class buying and selling all of the securities in its portfolio once in the course of the year. The higher the Class' portfolio turnover rate in a year, the greater the trading costs payable by the Class in the year, and the greater chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high portfolio turnover rate and the performance of the Class. The portfolio turnover rate is calculated based on the lesser of purchases or sales of securities divided by the weighted average market value of the portfolio securities, excluding short-term securities.

<sup>G</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

<sup>H</sup> The net assets per share is calculated in accordance with Section 3855 of the CICA Handbook.

## Financial Highlights – continued

### Series F

	Six-months ended May 31, 2011	Periods ended November 30, 2010 <sup>A</sup>
<b>The Series' Net Assets per Share</b>		
Net assets, beginning of period <sup>B,H</sup>	\$ 9.9611	\$ 10.0000
<b>Increase (decrease) from operations:</b>		
Total revenue	.0009	.0015
Total expenses	(.0316)	(.0115)
Realized gains (losses)	.2223	(.1271)
Unrealized gains (losses)	.0519	.0425
<b>Total increase (decrease) from operations<sup>B</sup></b>	<b>.2435</b>	<b>(.0946)</b>
<b>Distributions:</b>		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	—	—
<b>Total distributions<sup>B,C</sup></b>	<b>—</b>	<b>—</b>
<b>Net assets, end of period<sup>B,H</sup></b>	<b>\$ 10.1537</b>	<b>\$ 9.9611</b>
<b>Ratios and Supplemental Data</b>		
Net asset value (000s) <sup>D</sup>	\$ 7,248	\$ 4,113
Shares outstanding <sup>D</sup>	713,307	412,543
Management expense ratio <sup>E</sup>	.61%	.54%
Management expense ratio before waivers or absorptions <sup>E</sup>	.61%	.54%
Portfolio turnover rate <sup>F</sup>	520%	214%
Trading expense ratio <sup>G</sup>	—%	—%

<sup>A</sup> For the period September 10, 2010 to November 30, 2010.

<sup>B</sup> Net assets and distributions are based on the actual number of shares outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per share.

<sup>C</sup> Distributions were paid in cash or reinvested in additional shares of the Class, or both.

<sup>D</sup> This information is provided as at period end of the year shown.

<sup>E</sup> Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net asset values during the period.

<sup>F</sup> The Class' portfolio turnover rate indicates how actively the Class' portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Class buying and selling all of the securities in its portfolio once in the course of the year. The higher the Class' portfolio turnover rate in a year, the greater the trading costs payable by the Class in the year, and the greater chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high portfolio turnover rate and the performance of the Class. The portfolio turnover rate is calculated based on the lesser of purchases or sales of securities divided by the weighted average market value of the portfolio securities, excluding short-term securities.

<sup>G</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

<sup>H</sup> The net assets per share is calculated in accordance with Section 3855 of the CICA Handbook.

## Series F5

	Six-months ended May 31, 2011	Periods ended November 30, 2010 <sup>A</sup>
<b>The Series' Net Assets per Share</b>		
Net assets, beginning of period <sup>B,H</sup>	\$ 14.8140	\$ 15.0000
<b>Increase (decrease) from operations:</b>		
Total revenue	.0015	.0022
Total expenses	(.0455)	(.0172)
Realized gains (losses)	.2930	(.2075)
Unrealized gains (losses)	.0798	(.0831)
<b>Total increase (decrease) from operations<sup>B</sup></b>	<b>.3288</b>	<b>(.3056)</b>
<b>Distributions:</b>		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(.3780)	(.1260)
<b>Total distributions<sup>B,C</sup></b>	<b>(.3780)</b>	<b>(.1260)</b>
<b>Net assets, end of period<sup>B,H</sup></b>	<b>\$ 14.7183</b>	<b>\$ 14.8140</b>
<b>Ratios and Supplemental Data</b>		
Net asset value (000s) <sup>D</sup>	\$ 2,767	\$ 1,325
Shares outstanding <sup>D</sup>	187,849	89,369
Management expense ratio <sup>E</sup>	.60%	.60%
Management expense ratio before waivers or absorptions <sup>E</sup>	.60%	.60%
Portfolio turnover rate <sup>F</sup>	520%	214%
Trading expense ratio <sup>G</sup>	—%	—%

<sup>A</sup> For the period September 10, 2010 to November 30, 2010.

<sup>B</sup> Net assets and distributions are based on the actual number of shares outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per share.

<sup>C</sup> Distributions were paid in cash or reinvested in additional shares of the Class, or both.

<sup>D</sup> This information is provided as at period end of the year shown.

<sup>E</sup> Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net asset values during the period.

<sup>F</sup> The Class' portfolio turnover rate indicates how actively the Class' portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Class buying and selling all of the securities in its portfolio once in the course of the year. The higher the Class' portfolio turnover rate in a year, the greater the trading costs payable by the Class in the year, and the greater chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high portfolio turnover rate and the performance of the Class. The portfolio turnover rate is calculated based on the lesser of purchases or sales of securities divided by the weighted average market value of the portfolio securities, excluding short-term securities.

<sup>G</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

<sup>H</sup> The net assets per share is calculated in accordance with Section 3855 of the CICA Handbook.

## Financial Highlights – continued

### Series I

	Six-months ended May 31, 2011	Periods ended November 30, 2010 <sup>A</sup>
<b>The Series' Net Assets per Share</b>		
Net assets, beginning of period <sup>B,H</sup>	\$ 9.9451	\$ 10.0000
<b>Increase (decrease) from operations:</b>		
Total revenue	.0009	.0015
Total expenses	(.0708)	(.0338)
Realized gains (losses)	.1929	(.1748)
Unrealized gains (losses)	.0700	(.0188)
<b>Total increase (decrease) from operations<sup>B</sup></b>	<b>.1930</b>	<b>(.2259)</b>
<b>Distributions:</b>		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	—	—
<b>Total distributions<sup>B,C</sup></b>	<b>—</b>	<b>—</b>
<b>Net assets, end of period<sup>B,H</sup></b>	<b>\$ 10.1036</b>	<b>\$ 9.9451</b>
<b>Ratios and Supplemental Data</b>		
Net asset value (000s) <sup>D</sup>	\$ 5,413	\$ 1,729
Shares outstanding <sup>D</sup>	535,396	173,715
Management expense ratio <sup>E</sup>	1.40%	1.45%
Management expense ratio before waivers or absorptions <sup>E</sup>	1.40%	1.45%
Portfolio turnover rate <sup>F</sup>	520%	214%
Trading expense ratio <sup>G</sup>	—%	—%

<sup>A</sup> For the period September 10, 2010 to November 30, 2010.

<sup>B</sup> Net assets and distributions are based on the actual number of shares outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per share.

<sup>C</sup> Distributions were paid in cash or reinvested in additional shares of the Class, or both.

<sup>D</sup> This information is provided as at period end of the year shown.

<sup>E</sup> Management expense ratio is based on total expenses for the stated period and is expressed as an annualized percentage of daily average net asset values during the period.

<sup>F</sup> The Class' portfolio turnover rate indicates how actively the Class' portfolio adviser manages its portfolio investments. A portfolio turnover rate of 100% is equivalent to the Class buying and selling all of the securities in its portfolio once in the course of the year. The higher the Class' portfolio turnover rate in a year, the greater the trading costs payable by the Class in the year, and the greater chance of an investor receiving taxable capital gains in the year. There is not necessarily a relationship between a high portfolio turnover rate and the performance of the Class. The portfolio turnover rate is calculated based on the lesser of purchases or sales of securities divided by the weighted average market value of the portfolio securities, excluding short-term securities.

<sup>G</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

<sup>H</sup> The net assets per share is calculated in accordance with Section 3855 of the CICA Handbook.

## Series I5

	Six-months ended May 31, 2011	Periods ended November 30, 2010 <sup>A</sup>
<b>The Series' Net Assets per Share</b>		
Net assets, beginning of period <sup>B,H</sup>	\$ 14.7896	\$ 15.0000
<b>Increase (decrease) from operations:</b>		
Total revenue	.0016	.0016
Total expenses	(.1062)	(.0415)
Realized gains (losses)	.2827	(.1212)
Unrealized gains (losses)	.0425	.0893
<b>Total increase (decrease) from operations<sup>B</sup></b>	<u>.2206</u>	<u>(.0718)</u>
<b>Distributions:</b>		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(.3780)	(.1260)
<b>Total distributions<sup>B,C</sup></b>	<u>(.3780)</u>	<u>(.1260)</u>
<b>Net assets, end of period<sup>B,H</sup></b>	<b>\$ 14.6304</b>	<b>\$ 14.7896</b>
<b>Ratios and Supplemental Data</b>		
Net asset value (000s) <sup>D</sup>	\$ 9	\$ 9
Shares outstanding <sup>D</sup>	621	606
Management expense ratio <sup>E</sup>	1.44%	1.07%
Management expense ratio before waivers or absorptions <sup>E</sup>	1.44%	1.07%
Portfolio turnover rate <sup>F</sup>	520%	214%
Trading expense ratio <sup>G</sup>	—%	—%

<sup>A</sup> For the period September 10, 2010 to November 30, 2010.

<sup>B</sup> Net assets and distributions are based on the actual number of shares outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per share.

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<sup>D</sup> This information is provided as at period end of the year shown.

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<sup>G</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

<sup>H</sup> The net assets per share is calculated in accordance with Section 3855 of the CICA Handbook.

## Financial Highlights – continued

### Series S5

	Six-months ended May 31, 2011	Periods ended November 30, 2010 <sup>A</sup>
<b>The Series' Net Assets per Share</b>		
Net assets, beginning of period <sup>B,H</sup>	\$ 14.7989	\$ 15.0000
<b>Increase (decrease) from operations:</b>		
Total revenue	.0013	.0022
Total expenses	(.0845)	(.0302)
Realized gains (losses)	.3188	(.8122)
Unrealized gains (losses)	.1344	.7550
<b>Total increase (decrease) from operations<sup>B</sup></b>	<b>.3700</b>	<b>(.0852)</b>
<b>Distributions:</b>		
From income (excluding dividends)	—	—
From dividends	—	—
From capital gains	—	—
Return of capital	(.3780)	(.1260)
<b>Total distributions<sup>B,C</sup></b>	<b>(.3780)</b>	<b>(.1260)</b>
<b>Net assets, end of period<sup>B,H</sup></b>	<b>\$ 14.6589</b>	<b>\$ 14.7989</b>
<b>Ratios and Supplemental Data</b>		
Net asset value (000s) <sup>D</sup>	\$ 6,742	\$ 1,516
Shares outstanding <sup>D</sup>	459,575	102,362
Management expense ratio <sup>E</sup>	1.14%	1.13%
Management expense ratio before waivers or absorptions <sup>E</sup>	1.14%	1.13%
Portfolio turnover rate <sup>F</sup>	520%	214%
Trading expense ratio <sup>G</sup>	—%	—%

<sup>A</sup> For the period September 10, 2010 to November 30, 2010.

<sup>B</sup> Net assets and distributions are based on the actual number of shares outstanding at the relevant time. The increase (decrease) from operations is based on the weighted average number of shares outstanding over the financial period. This table is not intended to be a reconciliation of beginning to ending net assets per share.

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<sup>G</sup> The trading expense ratio represents total commissions and other portfolio transaction costs expressed as an annualized percentage of daily average net assets during the period.

<sup>H</sup> The net assets per share is calculated in accordance with Section 3855 of the CICA Handbook.

## Management Fees

Fidelity serves as manager of the Class. The Class pays Fidelity a monthly management fee for its services, based on the average net assets of each Series, calculated daily and payable monthly. Fidelity uses these management fees to pay for sales and trailing commissions to registered dealers on the distribution of the Class shares, as well as for general investment management and administration expenses.

	Series B Shares	Series F Shares	Series F5 Shares	Series I Shares	Series I5 Shares	Series S5 Shares
Management Fees	0.95%	0.45%	0.45%	1.20%	1.20%	0.95%
As a percentage of management fees:						
Dealer Compensation*	52.63	—	—	62.50	62.50	52.63
Investment management, administration and other	47.37	100.00	100.00	37.50	37.50	47.37

\* Dealer compensation represents cash commissions paid by Fidelity to registered dealers during the period and includes upfront deferred sales charge and trailing commissions. This amount may, in certain circumstances, exceed 100% of the fees earned by Fidelity during the period. For new Classes or Series the amounts presented may not be indicative of longer term operating periods.

# Fidelity Premium Fixed Income Capital Yield Private Pool of the Fidelity Capital Structure Corp.

## Past Performance

The performance information shown assumes that all distributions made by the investment class in the periods shown were reinvested in additional securities of the investment class. The performance information does not take into account sales, redemption, distribution or other optional charges that would have reduced returns or performance. How the investment class has performed in the past does not necessarily indicate how it will perform in the future.

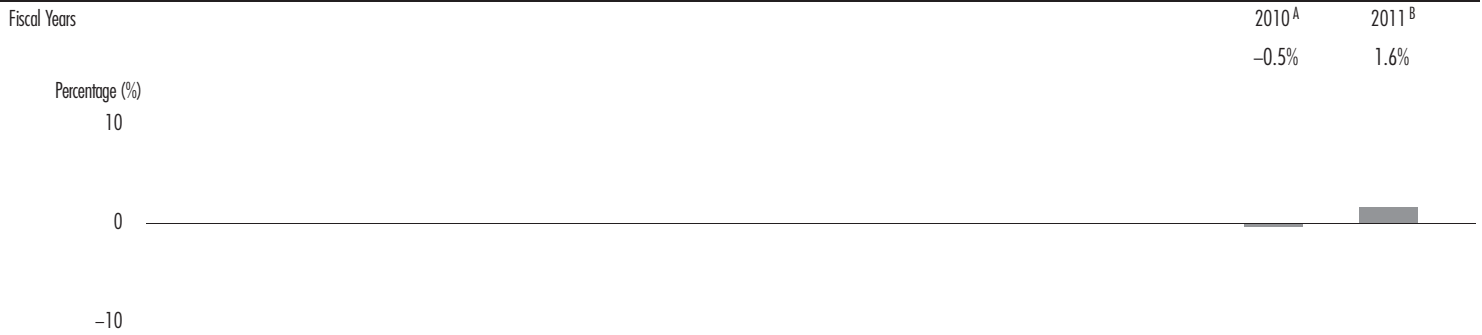
### Year-by-Year Returns

The following bar chart shows the investment class' annual performance for each of the years shown, and illustrates how the investment class' performance was changed from year to year. In percentage terms, the bar chart shows how much an investment made on the first day of each financial year would have grown or decreased by the last day of each financial year.



**Fidelity Premium Fixed Income Capital Yield Private Pool of the Fidelity Capital Structure Corp.  
Past Performance – continued**

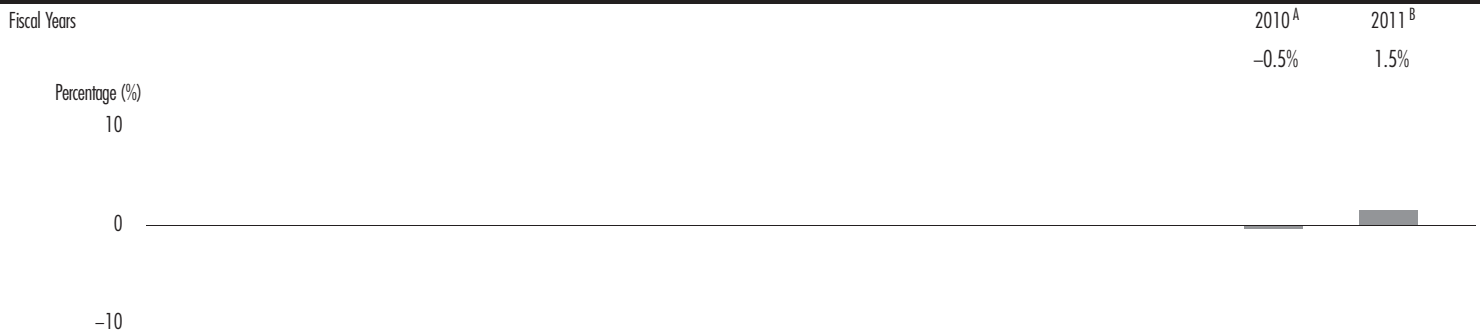
**Series I**



<sup>A</sup> Since the Commencement of Operation, from September 22, 2010 to November 30, 2010.

<sup>B</sup> For the period December 1, 2010 to May 31, 2011.

**Series I5**



<sup>A</sup> Since the Commencement of Operation, from September 22, 2010 to November 30, 2010.

<sup>B</sup> For the period December 1, 2010 to May 31, 2011.

**Series S5**



<sup>A</sup> Since the Commencement of Operation, from September 22, 2010 to November 30, 2010.

<sup>B</sup> For the period December 1, 2010 to May 31, 2011.

# Fidelity Premium Fixed Income Capital Yield Private Pool of the Fidelity Capital Structure Corp. Summary of Investment Portfolio as at May 31, 2011

The Class' performance is linked to the performance of the units of Fidelity Canadian Bond Fund (Reference Fund) through the use of forward contracts. The information below shows the portfolio breakdown of the Reference Fund, as well as the direct holding of Cash and Cash Equivalents.

## Asset Mix

	% of Fund's Net Assets
Canadian Bonds .....	92.5
Foreign Bonds .....	4.5
Cash and Cash Equivalents .....	6.8
Net Other Assets (Liabilities) .....	(3.8)
Forward Contracts and Swaps .....	(1.3)

Forward Contracts percentage is calculated by dividing the net unrealized gain/loss of all contracts held by total net assets.

Swaps percentage is calculated by dividing the sum of the notional and unrealized gain/loss by total net assets.

## Sector Mix

	% of Fund's Net Assets
Corporate .....	43.7
Federal .....	26.4
Provincial .....	20.4
Municipal .....	2.0
Foreign .....	4.5
Cash and Cash Equivalents .....	6.8
Net Other Assets (Liabilities) .....	(3.8)

## Top 25 Issuers

	% of Fund's Net Assets
1. Canadian Government .....	15.5
2. Canada Housing Trust No. 1 .....	10.6
3. Ontario Province .....	7.6
4. Cash and Cash Equivalents .....	6.8
5. Quebec Province .....	3.7
6. Manitoba Province .....	2.3
7. Royal Bank of Canada .....	2.0
8. Canadian Imperial Bank of Commerce ...	1.9
9. The Toronto-Dominion Bank .....	1.7
10. Bank of Nova Scotia .....	1.5
11. Ford Auto Securitization Trust .....	1.4
12. Bell Canada .....	1.1
13. Rogers Communications, Inc. ....	1.1
14. Shaw Communications, Inc. ....	1.1
15. Greater Toronto Airports Authority .....	1.0
16. New Brunswick Province .....	1.0
17. Nova Scotia Province .....	0.9
18. Prince Edward Island Province .....	0.9
19. Province of British Columbia .....	0.9
20. Reliance LP .....	0.8
21. TD Capital Trust III .....	0.8
22. Column Canada Issuer Corp. ....	0.8
23. HSBC Bank of Canada .....	0.7
24. Canadian Capital Auto Receivables Asset Trust II .....	0.7
25. Teranet Holdings LP .....	0.7
	67.5

Total Fund Net Assets \$58,166,000

The summary of investment portfolio may change due to ongoing portfolio transactions of the Reference Fund and class. The most recent annual report, semi-annual report, quarterly report or simplified prospectus for the Reference Fund and investment fund is available at no cost, by calling 1-800-263-4077, by writing to us at Fidelity Investments Canada ULC, 483 Bay St. Suite 300, Toronto ON M5G 2N7 or by visiting our web site at [www.fidelity.ca](http://www.fidelity.ca) or SEDAR at [www.sedar.com](http://www.sedar.com).







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