SEPTEMBER 19, 2011

Fidelity Funds and Fidelity Capital Structure Corp.

Series A, Series B and Series F Securities (unless otherwise indicated)

Simplified Prospectus

Equity Class

Canadian Equity Class

Fidelity Canadian Large Cap Class* (Series T5, Series T8, Series S5 and Series S8 shares also available)

Asset Allocation and Balanced Class

Fidelity Monthly Income Class* (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)

Specialty Funds

Fidelity Canadian Bond Capital Yield Fund (Series O, Series T5, Series S5 and Series F5 units also available)

Fidelity American High Yield Capital Yield Fund (Series O, Series T5, Series S5 and Series F5 units also available)

*Classes of Fidelity Capital Structure Corp.

No securities regulatory authority has expressed an opinion about these Securities. It's an offence to claim otherwise. The Funds and the securities of the Funds offered under this simplified prospectus are not registered with the United States Securities and Exchange Commission and they are sold in the United States only in reliance on exemptions from registration.

Fidelity INVESTMENTS®

What’s inside

Introduction

In this document, *we, us, our* and *Fidelity* refer to Fidelity Investments Canada ULC. The funds offered under this simplified prospectus are collectively referred to as the "*Funds*" and individually, as a "*Fund*". The other Fidelity funds offered under separate simplified prospectuses are, together with the Funds, collectively referred to as the "*Fidelity Funds*".

Fidelity Canadian Large Cap Class and Fidelity Monthly Income Class (the "Corporate Funds" and each a "Corporate Fund") are each offered as a class of shares of Fidelity Capital Structure Corp. (the "Corporation"), which is a mutual fund corporation. Fidelity Canadian Bond Capital Yield Fund and Fidelity American High Yield Capital Yield Fund (the "Trust Funds" and each a "Trust Fund") are each a mutual fund structured as a standalone trust.

In this document, we refer to *financial advisors* and *dealers*. The financial advisor is the individual with whom you consult for investment advice and the dealer is the company or partnership that employs your financial advisor.

This simplified prospectus contains selected important information to help you make an informed investment decision about the Funds and to understand your rights as an investor.

It's divided into three parts. The first part, from pages 3 to 19, explains what mutual funds are and the different risks you face by investing in them. The second part, from pages 20 to 33, contains specific information about each of the Funds. The third part, from pages 34 to 61, contains general information that applies to all of the Funds.

Additional information about each Fund is available in its annual information form and its most recently filed fund facts, annual and interim financial statements and annual and interim management reports of fund performance. These documents are incorporated by reference into this simplified prospectus. That means they legally form part of this simplified prospectus just as if they were printed in it.

You can get a copy of the Funds' annual information form, fund facts, financial statements and management reports of fund performance at no cost to you by calling us at 1-800-263-4077, sending us an e-mail to cs.english@fmr.com for English language versions or sc.francais@fmr.com for French language versions, or by asking your financial advisor. You'll also find this simplified prospectus, the fund facts, the financial statements and the management reports of fund performance on our website at www.fidelity.ca.

These documents and other information about the Funds are also available at www.sedar.com.

What is a mutual fund and what are the risks of investing in a mutual fund?

Millions of Canadians are working toward their financial goals by investing their money in mutual funds. Whether it's saving for retirement or putting aside cash for a down payment on a home, mutual funds have become an investment of choice for many people.

But what exactly are mutual funds, how do they work and what are the risks? This section has the answers.

What is a mutual fund?

Simply put, a mutual fund is a pool of investments made on behalf of a large group of people. Here's how it works: When you buy a mutual fund, you're actually putting your money together with that of many other people who like the same sorts of investments as you do. A professional investment expert – called a portfolio manager – takes that large pool of cash and invests it for the whole group. If the investments make a profit, you share that profit with everyone else in the group. If the investments lose money, everyone shares in the loss.

Sold in units or shares

When you invest in a mutual fund, you're buying a piece of the mutual fund called a *unit* in the case of a mutual fund organized as a trust (such as Fidelity Canadian Bond Capital Yield Fund and Fidelity American High Yield Capital Yield Fund) and a *share* in the case of a mutual fund offered as a class of shares of a mutual fund corporation (such as Fidelity Canadian Large Cap Class and Fidelity Monthly Income Class, which are each a class of shares of the Fidelity Capital Structure Corp.). The attributes of shares and units are generally the same. In this simplified prospectus, we use the term "Securities" to refer collectively, to units of a trust, or classes of shares of a mutual fund corporation, as applicable, although we may use the term "units" or "shares" in reference to specific Funds, as applicable. Mutual fund companies keep track of all the individual investments by recording how many Securities each investor owns. The more money you put into a mutual fund, the more Securities you get.

Some mutual funds offer Securities in more than one series. It's possible that each series may have different management fees or expenses.

How do you make money?

You make money on mutual funds if you buy your Securities at one price and sell – or redeem – them later at a higher price. Of course, you lose money if you redeem your Securities for less than you paid. You can also make money when the mutual fund pays you your share of the income and capital gains it has earned on its investments.

What do mutual funds invest in?

Mutual funds invest in many of the same things as individual investors – everything from treasury bills to shares on foreign stock markets. The kind of securities a mutual fund invests in depends on the mutual fund's goal or investment objective. For example, there are mutual funds for people who want exposure to short-term fixed-income securities as well as funds for those who want exposure to Canadian, U.S. or international equity securities.

The price of a Security changes every day, depending on how well the investments of the fund are performing. When the investments rise in value, the price of a security goes up. When the investments drop in value, the price of a security goes down.

Securities that are traded on a public exchange are generally valued at their last sale or closing price as reported on that valuation day. If there was no reported sale and no reported closing price, we will value the securities at their closing bid price on that valuation day. However, if the price is not a true reflection of the value of the security, we will use another method to determine the value. This practice is called *fair value pricing*. It may happen for many reasons, including where the value is affected by events which occur after a market where the security is principally traded has closed or where there has been minimal or infrequent trading in a security.

While there are thousands of different investments available, they generally fit into two basic types: debt and equity. Some mutual funds (such as Fidelity Canadian Large Cap Class) invest in securities of other mutual funds called *underlying funds*. Those underlying funds, in turn, invest in debt securities, equity securities and/or in some cases, securities of other funds.

Debt securities

Debt securities (or fixed-income securities) are obligations of an issuer to repay a sum of money, usually with interest. Common examples include those issued by a company or a government. Debt securities are also an important way for companies and governments to raise money. They frequently sell debt securities called bonds and use the cash for major projects, or just to meet their daily expenses.

The government or company usually agrees to pay back the amount of the debt security within a set amount of time. If that period of time is about a year or less, the investment is often called a *money market instrument*. Examples are short-term bonds and government treasury bills. If the length of time is more than about a year, the investment is often referred to as a *fixed-income investment*. Examples are corporate and government bonds and mortgages.

Equity securities

Equity securities are investments that give the holder part ownership in a company. When a mutual fund buys equity securities, it is buying a piece of a business. The most familiar example is common shares traded on the stock market.

Equity securities can earn money in two ways. The value of the shares can rise (or fall) as people buy and sell them on stock exchanges. If a company appears to be doing well in its business, more people may want to buy a piece of it and the price is likely to go up. On the other hand, if a company's business doesn't seem to be doing well, investors may decide to sell their piece of the company and the price is likely to go down.

Some kinds of equity securities also pay you a portion of any profits the company may earn. These payments are called *dividends*.

What advantages do mutual funds have?

You could make many of the same investments that portfolio managers of mutual funds make. So why buy mutual funds? There are several advantages.

Professional management

For one thing, professional portfolio managers make all the decisions about exactly which securities to invest in and when to buy or sell them. It's their full-time job, so you don't have to spend the time making these investment decisions on your own. Portfolio managers may also prepare or have access to information and research that isn't readily available to individual investors.

Diversification

A second advantage is something called *diversification*. Diversification means owning several different investments at once. Here's why it's important: the value of your investments will go up and down over time; that's the nature of investing. But not all investments are likely to go up or down at the same time, or to the same extent which can help to lessen the volatility of the mutual fund over the long term.

Since mutual funds typically hold many investments, they offer a simple way to diversify your portfolio. In addition to diversifying through the number of investments, mutual funds often have access to investments individual investors generally cannot buy. A wider range of types of investments may increase diversification.

Easy access to your money

Unlike some other kinds of investments, mutual funds are *liquid*. This means you can redeem your Securities at almost any time and get your money when you need it (even though you may get less than you invested).

Record keeping

And finally, mutual funds make your investments easier to keep track of. Mutual fund companies help you with the details by sending you regular financial statements, fund performance reports and tax slips.

Are there any costs?

There are a number of expenses involved in buying and owning a mutual fund. First, there are costs paid directly by investors either when they buy or when they redeem Securities of a fund. See *What investors pay* below. Then there are expenses paid by the mutual fund itself. For example, there are management fees, brokerage commissions and operating expenses. Even though the fund and not the investor pays these costs, they will reduce an investor's return. See the section *Fees and expenses* on page 48 for more details about the costs of the Funds.

What investors pay

Financial advisors who sell mutual funds may earn commissions, also known as sales charges or loads, as compensation for the advice and service they provide. There are two kinds of sales charges. You may pay a percentage of the purchase price when you buy your mutual fund securities. At Fidelity, we call this an *initial sales charge*. Or, if you redeem your Securities within a specified number of years, you will pay a percentage of the redemption amount to Fidelity at the time you redeem. We call this a *deferred sales charge*.

Deferred sales charges may be a good choice if you plan to leave your money in the mutual fund for a long time. That's because a deferred sales charge you would have to pay if you sold your Securities decreases each year and disappears entirely after you've held the mutual fund for a specified number of years.

What the fund pays

Fund managers make their money by charging a management fee. Usually, it's a percentage of the net assets of the mutual fund. Managers collect it directly from the mutual fund itself, not from individual investors. The managers use the management fee to pay expenses like employee salaries, research costs, trailer fees and promotional expenses. See the section *Fees and expenses* on page 48 for more details.

There are also a number of other expenses involved in running a fund. For example, a mutual fund needs to value all of its investments every day and determine the appropriate price to process the day's orders to buy and redeem securities of the fund. There are also transfer agency fees, brokerage commissions, legal fees, regulatory filing fees, auditing fees, custody fees, taxes and other operating expenses that must be taken into account in arriving at the value of the Securities. Again, these costs are sometimes collected directly from the fund. Alternatively, some managers, including Fidelity, may pay for some of these expenses in exchange for a fixed rate administration fee that they collect from the fund.

When you add together the management fee and certain other expenses, you get a fund's operating expenses. There are strict regulations to determine which expenses to include in the calculation. When you divide these operating expenses by the mutual fund's net asset value you get the mutual fund's *management expense ratio*. If a mutual fund has more than one series, each series will have its own management expense ratio.

How do I know if mutual funds are right for me?

One of the real strengths of mutual funds is that they offer many choices that can be matched to your goals. They range from the extremely conservative to the more risky. Your financial advisor can help you make the important decisions about which mutual funds suit you best.

What's your risk tolerance?

Can you lose money? Yes.

Even before you talk to a financial advisor, you can start planning your mutual fund portfolio by deciding how much risk you're willing to take. This is also known as your *risk tolerance*. Your risk tolerance will depend on many factors such as your age, investment time horizon and your goals. Understanding the risks involved can help. We explain more about the risks of investing in the section *What are the risks of investing in a mutual fund?*

below and in each Fund profile under the heading *What are the risks of investing in the Fund?* Your financial advisor can help you assess the risks.

Another factor is your goals. If you want to keep your money safe and earn a little interest at the same time, a less risky money market mutual fund may do the job nicely. But if you're trying to build some real savings for a big goal, such as retirement, a money market fund probably won't earn enough to do it. You'll need to consider increasing your risk to better your chances of earning more money.

Time on your side

How much time do you have? That's another key consideration. Say you're saving for a retirement that's still 30 years off. In that case, you can afford to take some risk. If you have 30 years, the ups and downs of the stock market, for example, aren't as much of a concern. Sure, some of your riskier investments could drop in the short term, but over the longer term, past experience suggests that a broadly diversified portfolio of stock investments tends to rise more often than it falls. Of course, how well a fund has performed in the past doesn't tell you how it will perform in the future.

On the other hand, if you've only got a few years left until you expect you'll need your money, you should consider reducing your risk. In this case, there isn't enough time left for your investments to recover should they drop in value.

A good variety works best

Finally, you should have a mix of mutual funds, some conservative, others less so. That's part of diversification. No single mutual fund is in itself a balanced investment plan. The appropriate mix will depend on your risk tolerance, your goals and how long you have to reach those goals.

What are the risks of investing in a mutual fund?

Everybody wants to earn money when they invest. But you may lose money, too. This is known as *risk*.

Mutual funds own different kinds of investments, depending on their investment objectives. The value of these investments will change from day to day because of changes in interest rates, economic conditions and market or company news, for example. That means the value of a mutual fund's securities can go up and down and you may get more or less than you invested when you sell your securities.

Higher-risk investments, such as stocks and high yield securities, are likely to have changes in their prices from day to day. And some may have bigger changes than others. These swings in prices are called *volatility*. Investments with higher risk and higher volatility may suffer substantial losses over the short run. But historically, higher-risk investments have generally offered a greater potential return over the long term. This is one reason why it's important to diversify your portfolio and make sure that the types of funds you choose suit the length of time you expect to invest. Your financial advisor can help you build a portfolio that's right for you.

How mutual funds can reduce risk

While there's no doubt that mutual funds come with risks, they can be less risky as a whole than comparable individual investments. Mutual funds are managed by professional portfolio managers. They spend hours

No guarantees

Unlike bank accounts or guaranteed investment certificates (GICs), mutual fund securities aren't covered by the Canada Deposit Insurance Corporation or any other government deposit insurer. It's important to remember that like all mutual funds, there's no guarantee that when you redeem your Securities of the Funds, you'll get back the full amount of money you originally invested.

On rare occasions, a mutual fund may not allow you to redeem your Securities. *See* ***Suspending your right to redeem Securities*** *on page 43 for more information.*

studying reports about the companies they're investing in, analyzing statistics and examining the mix of investments in the fund. It's work that the average investor doesn't have time for or the necessary expertise and it can increase the chance that the mutual fund will achieve its goal.

Equally important is the fact that mutual funds offer diversification. Even mutual funds that specialize in one type of industry or one country usually make a variety of investments within their particular sector.

How you can reduce risk

Mutual funds aren't meant to be a way of making a quick profit. They're long term investments. If you buy a mutual fund, you should generally buy it with a view to holding it over a number of years. Don't try to second-guess the market and figure out the "best time" to get in or out. Generally speaking, a carefully chosen group of mutual funds bought and held over the long-term gives you the best chance of meeting your financial goals.

Specific risks of investing in mutual funds

Mutual funds are made up of many securities and the prices of those securities can go up or down. Here are some of the most common risks that can cause the value of securities of a mutual fund to change. To find out which of these risks apply to each Fund, see the individual Fund profiles starting on page 20. A Fund that invests in an underlying fund has similar risks as an investment in that underlying fund.

You must feel comfortable with the risk that you take. Before you invest, discuss it with your financial advisor.

Asset-backed and mortgage-backed securities risk

Asset-backed securities are debt obligations that are backed by pools of consumer or business loans. Mortgage-backed securities are debt obligations backed by pools of mortgages on commercial or residential real estate. If there are changes in the market's perception of the issuers of these types of securities, in the creditworthiness of the underlying borrowers or in the assets backing the pools, then the value of the securities may be affected. In addition, the underlying loans may not be ultimately repaid in full, in some cases leading to holders of asset-backed and mortgage-backed securities not receiving full repayment.

Understanding risk

While risk isn't a pleasant thing to face, it can work in your favour, especially over the long term. Generally speaking, the greater the risk of an investment, the greater its potential for return; the lower the risk, the smaller the potential for return. For example, Canada Savings Bonds are nearly risk free, but generally pay a lower interest rate relative to other fixed income securities. In contrast, shares in a small or start-up company have the potential to earn healthy returns, but are likely to be volatile. The key is to recognize the risk involved in a particular investment and then decide if it's a risk you want to take. Your financial advisor can help you understand risk.

Class and series risk

The Funds are available in up to ten series: Series A, Series B, Series F, Series F5, Series F8, Series S5, Series S8, Series T5, Series T8 and Series O. See *Fund details* on page 14 for details of the features of each series and who can purchase them.

Fidelity Canadian Large Cap Class and Fidelity Monthly Income Class are each offered as a class of shares of the Corporation. In addition to Fidelity Canadian Large Cap Class and Fidelity Monthly Income Class, the Corporation also offers other mutual funds, in multiple series, as classes of shares of the Corporation. These other Fidelity Funds are offered under separate simplified prospectuses. Each of these Fidelity Funds sells securities, the proceeds of which are used to invest in a portfolio of securities based on their respective investment objectives. However, because Fidelity Canadian Large Cap Class and Fidelity Monthly Income Class are part of a single corporation, the Corporation as a whole is liable for the expenses of Fidelity Canadian Large Cap Class and Fidelity Monthly Income Class as well as the expenses of the other Fidelity Funds offered as classes of shares of the Corporation. If the Corporation can't pay the expenses of one class or series of shares using its proportionate share of the Corporation's assets for any reason, the Corporation will be required to pay those expenses out of the other classes or series' proportionate share of the Corporation's assets. That could lower the investment returns of the other Fidelity Funds or series of the Fidelity Funds offered by the Corporation.

Fidelity Canadian Bond Capital Yield Fund and Fidelity American High Yield Capital Yield Fund are each a mutual fund structured as a standalone trust. If either the Fidelity Canadian Bond Capital Yield Fund or Fidelity American High Yield Capital Yield Fund can't pay the expenses of one series using the proportionate share of its assets, Fidelity Canadian Bond Capital Yield Fund and Fidelity American High Yield Capital Yield Fund, as the case may be, will be required to pay those expenses out of the other series proportionate share of its assets, which could lower the investment return of the other series.

Each of the Funds may, without notice to securityholders and without securityholder approval, issue additional series. The Corporation may also create new funds by issuing new classes of shares in multiple series without notice to securityholders, or securityholder approval.

Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 are designed to provide a monthly cash flow to investors. Where this cash flow exceeds a Fund's income and realized capital gains, it will include a *return of capital*. A return of capital means a portion of the cash flow given back to the investor is the money that was invested in the Fund originally, as opposed to the returns generated by the investment. Returns of capital reduce the net asset value of the particular series of the Fund. As well, returns of capital reduce the total assets of the Fund available for investment, which may reduce the ability of the Fund to generate future income.

Commodity risk

Some mutual funds invest directly or indirectly in gold and other commodities, including precious metals commodities, energy commodities, industrial and/or metals commodities and agricultural commodities, and may obtain exposure to these commodities by investing in companies engaged in commodity sectors or by investing in underlying funds, exchange-traded derivatives or in exchange-traded funds ("ETFs") that invest in, or have exposure to, companies involved in one or more commodity sectors. Funds exposed to commodities will be affected by changes in the prices of the commodities which can fluctuate significantly in short time periods causing volatility in a Fund's net asset value. Commodity prices can change as a result of a number of factors, including, supply and demand, speculation, central bank and international monetary activities, political or economic instability, changes in interest rates and currency values, new discoveries or changes in government regulations affecting commodities.

Concentration risk

Some mutual funds may hold more than 10% of their net assets in securities of a single issuer. Such funds have less diversification which may have an adverse impact on a fund's returns. Increased concentration can also lead to increased volatility in a fund's Security price and it may increase the illiquidity of a fund's portfolio.

Credit risk

A mutual fund can lose money if the issuer of a bond or other fixed-income security can't pay interest or repay principal when it's due. Many fixed-income securities of companies and governments are rated by third party sources such as Standard & Poor's to help describe the creditworthiness of the issuer. The risk of an issuer being unable to make interest or principal payments on its fixed-income security is highest if the fixed-income security has a low credit rating or no rating at all. Fixed-income securities with a low credit rating usually offer a higher yield than securities with a high credit rating, but they also have a higher potential for loss. These are known as *high yield securities*.

Adverse news regarding an issuer or a downgrade in the rating of an issuer's fixed-income security can reduce the fixed-income security's market value. Furthermore, third party credit ratings are often relied upon by investors, including the portfolio managers of the funds, to determine an issuer's creditworthiness. There is no guarantee however, that credit ratings by third party sources accurately reflect the risk of owning an issuer's fixed-income securities. If a rating agency has given a higher rating to an issuer's securities than those securities inherently deserve, the value of the securities may decrease substantially as the market becomes aware of the issuer's true risk.

A *credit spread* is the difference between the yield on an issuer's fixed-income security and a government-issued fixed-income security that are identical except for the credit rating. If the market determines that a higher return is necessary to compensate for the higher risk of a lower rated fixed-income security, the credit spread will increase. If a credit spread increases after the purchase of a fixed-income security, the value of that security will decrease.

Currency risk

A mutual fund that buys and sells securities in currencies other than the Canadian dollar can lose money when the Canadian dollar rises compared with the foreign currency. This can occur when the mutual fund converts its Canadian dollars to the foreign currency in order to buy a security. When the fund sells the security, it will convert the foreign currency back into Canadian dollars. If the Canadian dollar has risen in the meantime and the market value of the investment has stayed the same, the investment will be worth less in Canadian dollars when it's sold.

Movements in exchange rates can affect the day-to-day value of a mutual fund, especially if it holds a lot of foreign investments. Of course, these kinds of investments have the potential to make money on changes in exchange rates as well. Some of the Fidelity Funds will use derivatives such as options, futures, forward contracts, swaps and customized types of derivatives to reduce the effect of changes in exchange rates. Please see the *Investment strategies* section of each Fund described in this document.

Derivative risk

A derivative is an investment that bases its value on how well another kind of investment, like a stock, bond, currency or market index, is doing. Derivatives usually take the form of a contract with another party to buy or sell an asset at a later time. Funds that invest in derivatives are in a position to make or lose money based on changes in interest rates, securities prices or currency exchange rates. Here are some examples of derivatives:

- **Options**. Options give the holder the right to buy an asset from, or sell an asset to another party for a set price, during a set period of time. Fluctuations in the value of the asset during the life of the option will impact the value of the option. It's called an option because the holder has the option of exercising their right to buy or sell the asset, and the other party is obliged to satisfy this right. The other party generally receives a cash payment (a premium) for agreeing to provide the option.
- **Forward contracts**. In a forward contract, an investor agrees to buy or sell an asset such as a security or currency at an agreed price on a specific date in the future.
- **Futures contracts**. Futures contracts generally function in a similar manner as forward contracts, but are traded on an exchange.
- **Swaps**. With a swap agreement, two parties agree to exchange, or "swap", payments. The payments the two parties make are based on an agreed underlying amount, like a bond. Each party's payments are calculated differently. For example, one party's payments may be based on a floating interest rate, while the other party's payments may be based on a fixed interest rate.
- **Debt-like securities**. With a debt-like security, the amount of principal or interest (or both) an investor receives goes up or down depending on whether there is an increase or decrease in the value of an agreed underlying security, like a share.

There are a number of risks involved in the use of derivatives. Here are some of the most common ones:

- there's no guarantee that a mutual fund will be able to buy or sell a derivative at the right time to make a profit or limit a loss.
- there's no guarantee that the other party in the contract (known as a "counterparty") will live up to its obligations, which could result in a financial loss for the mutual fund.
- if the value of a derivative is tied to the value of an underlying interest, there's no guarantee that the value of the derivative will at all times accurately reflect the value of the underlying interest.
- if the other party a mutual fund is dealing with goes bankrupt, the mutual fund could lose any deposits that were made as part of the contract.
- if the derivatives are being traded on foreign markets, it may be more difficult and take longer to complete the transaction. Foreign derivatives can also be more risky than derivatives traded on North American markets.
- securities exchanges could set daily trading limits on options and futures contracts. This could prevent a mutual fund from completing an options or futures transaction, making it very difficult to hedge properly, make a profit or limit a loss.
- if a mutual fund is required to give a security interest in order to enter into a derivative, there is a risk that the other party may try to enforce the security interest against the mutual fund's assets.

Mutual funds can use derivatives to help offset losses that other investments might suffer because of changes in stock prices, commodity prices, interest rates or exchange rates. This is called *hedging*. While using derivatives for hedging has its benefits, it's not without its own risks. Here are some of them:

- there's no guarantee that a hedging strategy will always work.
- a derivative won't always offset a drop in the value of a security, even if it has usually worked out that way in the past.
- hedging doesn't prevent changes in the prices of the securities in a mutual fund's portfolio, or prevent losses if the prices of the securities go down.
- hedging can also prevent a fund from making a gain if the value of the currency, stock, or bond goes up.
- currency hedging does not result in the impact of currency fluctuations being eliminated altogether.
- a mutual fund might not be able to find a suitable counterparty to enable the mutual fund to hedge against an expected change in a market if most other people are expecting the same change.
- hedging may be costly.

Equity risk

Companies issue common shares and other kinds of equity securities to help pay for their operations and finance future growth. Equity securities can drop in price for many reasons. They're affected by general economic and market conditions, interest rates, political developments and changes within the companies that issue the securities. If investors have confidence in a company and believe it will grow, the price of its equity securities is likely to rise. If investor confidence falls, equity prices are likely to fall, too. The prices of equity securities can vary widely and mutual funds that invest in equity securities are generally more volatile than mutual funds that invest in fixed-income securities.

Foreign investment risk

There are some significant reasons to consider investing abroad. The economies of foreign countries may be growing much faster than Canada's economy. This can mean that investments in those countries may grow more quickly too. Foreign investments give you diversification because all your money isn't staying in Canada and/or the United States alone. Besides currency risk, foreign investments also have some other risks.

Not all countries are as well regulated as Canada and the United States or have the same consistent and reliable accounting, auditing and financial reporting standards. Your investments could suffer as a result. They also could suffer because a small number of companies could make up a large part of the market. If one of these companies does poorly the whole market could drop.

Sometimes foreign governments impose taxes, take over private businesses, or change the rights of foreign investors. They might impose currency controls that greatly restrict your ability to get your money out of the country, or they may devalue their currency. Riots, civil unrest or wars, or unstable governments in some countries could hurt your investments. Some countries may have lower standards of business practices and lax regulation, and may be more vulnerable to corruption. Even in some relatively well-regulated countries it can be difficult to get the information investors need about business operations. And it's sometimes hard to enforce the mutual fund's legal rights in another country. Foreign countries may also experience relatively high inflation and high interest rates.

Fixed-income securities bought on foreign markets – even some government bonds – are often quite risky. There's a danger that the issuer won't pay off the debt or that the price of the securities will drop rapidly.

Of course, the amount of risk varies a lot from country to country. Securities in developed markets generally have lower foreign investment risk because they're generally well regulated and are relatively stable. Securities of governments and companies in the emerging or developing markets of South or Southeast Asia and Latin America, for example, can have significant foreign investment risk.

Pursuant to new U.S. tax rules, securityholders of the funds may be required to provide identity and residency information to the funds, which may be provided to U.S. tax authorities in order to avoid a U.S. withholding tax being imposed on U.S. and certain non-U.S. source income and proceeds of disposition received by the funds or on certain amounts (including distributions) paid by the funds to certain securityholders.

Interest rate risk

Interest rates have an impact on a whole range of investments. When interest rates rise, fixed-income securities like treasury bills and bonds tend to fall in price. On the other hand, they tend to rise in price when interest rates are falling. Longer-term bonds and strip bonds are generally more sensitive to changes in interest rates than other kinds of securities.

The issuers of many kinds of fixed-income securities can repay the principal before the security matures. This is called making a prepayment and it can happen when interest rates are falling. It's a risk because if a fixed-income security is paid off sooner than expected, the fund may have to reinvest this money in securities that have lower rates. Also, if paid off unexpectedly, or faster than predicted, the fixed-income security can offer less income and/or potential for capital gains.

Large transaction risk

Other investment products, such as segregated funds offered by insurance companies, as well as some of the Funds offered under this simplified prospectus, may invest in a Fund or in other Fidelity Funds. There is a risk that these investments may become large and that large purchases and redemptions of Securities of a Fund could occur. Other investors may also purchase large amounts of Funds. Large purchases and redemptions may result in: (a) the Fund maintaining an abnormally high cash balance; (b) large sales of portfolio securities impacting market value; (c) increased transaction costs (e.g., commissions); and/or (d) capital gains being realized which may increase taxable distributions to investors. If this should occur, the returns of investors (including other mutual funds) that invest in those Funds may be adversely affected.

Liquidity risk

Investors often describe the speed and ease with which an asset can be sold and changed into cash as its *liquidity*. Most of the securities owned by a mutual fund can usually be sold promptly at a fair price and so can be described as relatively liquid. But a fund may also invest in securities that are illiquid, which means they can't be sold quickly or easily.

Some securities are illiquid because of legal restrictions, the nature of the investment itself, settlement terms or for other reasons. Sometimes, there may simply be a shortage of buyers. In addition, in highly volatile markets, such as in periods of sudden interest rate changes or severe market disruptions, securities that were previously liquid may suddenly and unexpectedly become illiquid. A mutual fund that has trouble selling a security can lose money or incur extra costs.

Portfolio management risk

All actively managed mutual funds are dependent on their portfolio advisor or sub-advisor to select individual securities or other investments and, therefore, are subject to the risk that poor security selection or market allocation will cause a fund to underperform relative to its benchmark or other funds with similar investment objectives.

Repurchase and reverse repurchase transactions and securities lending risk

Sometimes the Funds enter into what are called *repurchase transactions, securities lending transactions* and *reverse repurchase transactions*. A *repurchase transaction* is where a mutual fund sells a security to a party for cash and agrees to buy the same security back from the same party for cash. *Securities lending* is similar to a repurchase transaction, except that instead of selling the security and agreeing to buy it back later, the mutual fund loans the security and can demand the return of the security at any time. In a *reverse repurchase transaction* a mutual fund buys a security at one price from a party and agrees to sell the same security back to the same party at a higher price later on. It is a way for the mutual fund to earn interest on cash balances.

The risk with these types of transactions is that the other party may default under the agreement or go bankrupt. In a *reverse repurchase transaction* the fund is left holding the security and may not be able to sell the security at the same price it paid for it, plus interest, if the market value for the security has dropped in the meantime. In the case of a *repurchase transaction* or *securities lending transaction*, the fund could incur a loss if the value of the security loaned or sold has increased more than the value of the cash and collateral held.

Fidelity reduces these risks by requiring the other party to put up collateral. The value of the collateral has to be at least 102% of the market value of the security sold (for a *repurchase transaction*), cash loaned (for a *reverse repurchase transaction*) or security loaned (for a *securities lending transaction*). The value of the collateral is checked and reset daily. The Fidelity Funds only deal with parties who appear to have the resources and the financial strength to live up to the terms of the agreements. Repurchase transactions and securities lending transactions are limited to 50% of a Fund's assets. Collateral held by a Fund for loaned securities and cash held for sold securities are not included in a Fund's assets when making this calculation.

Small company risk

Small companies can be riskier investments than larger companies. For one thing, they're often newer and may not have a track record, extensive financial resources or a well-established market for their securities. They generally don't have as many shares trading in the market, so it could be difficult for a mutual fund to buy or sell small company stock when it needs to. All of this means their prices and liquidity can change significantly in a short period of time.

Specialization risk

Some mutual funds specialize in investing in a particular industry or part of the world. Specialization lets the portfolio adviser focus on specific areas of the economy, which can boost profits if both the sector and the companies selected prosper. But if the industry or geographic area has a slump, the mutual fund will suffer because there are relatively few other investments to offset the slump. The mutual fund must follow its investment objective and continue to invest primarily in securities in the industry or geographic area, whether or not it is growing. Additionally, where the mutual fund uses a specific investment approach such as value or growth, if that particular investment approach used by a mutual fund is out of favour, the mutual fund will likely suffer if obliged to confine its investments to the specific investment approach.

Tax risk

In determining their income for tax purposes, Fidelity Canadian Bond Capital Yield Fund and Fidelity American High Yield Capital Yield Fund will treat gains or losses on the disposition of the securities under the forward contracts as capital gains and losses. The Canada Revenue Agency's practice is not to grant advance tax rulings on the characterization of items as capital gains or income and no advance tax ruling has been requested or obtained. If, through the application of the general anti-avoidance rule or as a result of a change of law, or for another reason, upon physical settlement of the forward contracts the gain were other than a capital gain, after-tax returns to investors (including investors in other Fidelity Funds which invest in Fidelity Canadian Bond Capital Yield Fund and/or Fidelity American High Yield Capital Yield Fund, such as Fidelity Monthly Income Class) could be reduced and Fidelity Canadian Bond Capital Yield Fund and Fidelity American High Yield Capital Yield Fund could be subject to non-refundable income tax from such transactions.

Specific information about each of the mutual funds described in this document

Your guide to the Funds

The Funds offered under this Simplified Prospectus are categorized as Equity, Asset Allocation and Balanced and Specialty Funds. Here's what the Fund profiles look like and what they will tell you:

1 Fund name

2 Fund details

This is a quick overview of the Fund — what kind of Fund it is, when it was started, the types of securities offered and its eligibility for registered plans. All of the Funds are qualified investments for registered plans like Registered Retirement Savings Plans (RRSPs).

About Series A, Series B, Series F, Series T5, Series T8, Series S5, Series S8, Series F5, Series F8 and Series O Securities

We currently offer seven series of Securities of Fidelity Canadian Bond Capital Yield Fund and Fidelity American High Yield Capital Yield Fund, seven series of Securities of Fidelity Canadian Large Cap Class and nine series of Securities of Fidelity Monthly Income Class as set out in each Fund's profile. We may offer additional series in the future.

Series A Securities

Series A Securities are available to all investors who purchase under a deferred sales charge option. The minimum initial investment for Series A Securities of a Fund is $500.

Series B Securities

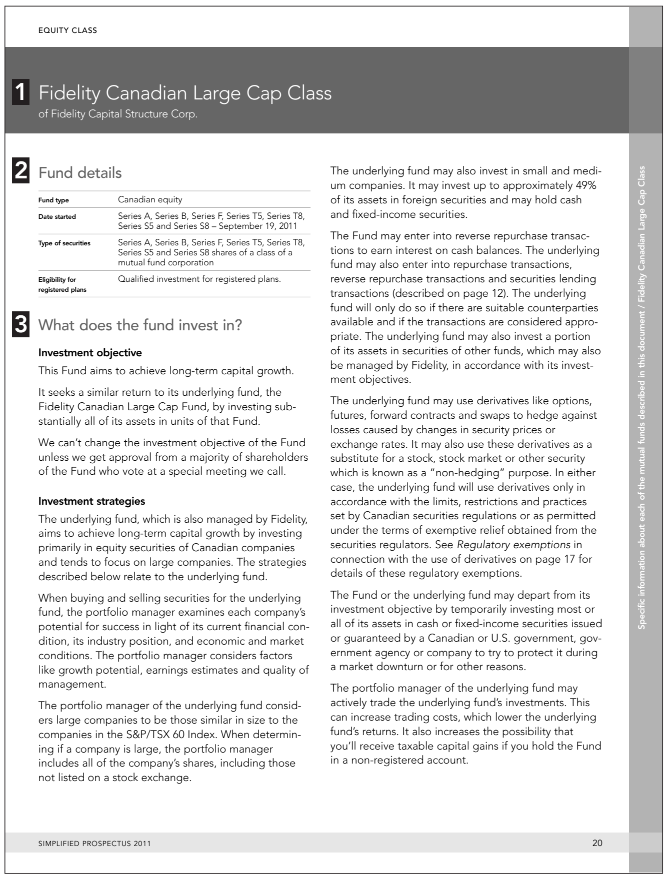
Series B Securities are available to all investors who purchase under the initial sales charge option. Series B Securities have lower fees than Series A Securities. The minimum initial investment for Series B Securities of a Fund is $500.

Series F Securities

Series F Securities have lower fees than Series A and Series B Securities and are usually only available to investors who have fee-based accounts with dealers who have signed an eligibility agreement with us. Instead of paying sales charges, investors pay their dealer a fee for investment advice and other services they provide. We don't pay any commissions or trailer fees to dealers who sell Series F Securities, which means we can charge a lower management fee. Your dealer is responsible for deciding whether you are eligible to buy and continue to hold Series F Securities. If you're no longer eligible to hold Series F Securities, your dealer is responsible for telling us to change your Securities into Series B Securities of the same Fund or to redeem them. The minimum initial investment for Series F Securities of a Fund is $500.

Series T5 Securities

Series T5 Securities are available to all investors who purchase under a deferred sales charge option. Series T5 shares are designed to provide tax efficient cash flow to investors by making monthly distributions as described below. The minimum initial investment for Series T5 securities of a Fund is $5,000.


EQUITY CLASS

1 Fidelity Canadian Large Cap Class
of Fidelity Capital Structure Corp.

2 Fund details

Fund type	Canadian equity
Date started	Series A, Series B, Series F, Series T5, Series T8, Series S5 and Series S8 – September 19, 2011
Type of securities	Series A, Series B, Series F, Series T5, Series T8, Series S5 and Series S8 shares of a class of a mutual fund corporation
Eligibility for registered plans	Qualified investment for registered plans.

3 What does the fund invest in?

Investment objective

This Fund aims to achieve long-term capital growth.

It seeks a similar return to its underlying fund, the Fidelity Canadian Large Cap Fund, by investing substantially all of its assets in units of that Fund.

We can't change the investment objective of the Fund unless we get approval from a majority of shareholders of the Fund who vote at a special meeting we call.

Investment strategies

The underlying fund, which is also managed by Fidelity, aims to achieve long-term capital growth by investing primarily in equity securities of Canadian companies and tends to focus on large companies. The strategies described below relate to the underlying fund.

When buying and selling securities for the underlying fund, the portfolio manager examines each company's potential for success in light of its current financial condition, its industry position, and economic and market conditions. The portfolio manager considers factors like growth potential, earnings estimates and quality of management.

The portfolio manager of the underlying fund considers large companies to be those similar in size to the companies in the S&P/TSX 60 Index. When determining if a company is large, the portfolio manager includes all of the company's shares, including those not listed on a stock exchange.

The underlying fund may also invest in small and medium companies. It may invest up to approximately 49% of its assets in foreign securities and may hold cash and fixed-income securities.

The Fund may enter into reverse repurchase transactions to earn interest on cash balances. The underlying fund may also enter into repurchase transactions, reverse repurchase transactions and securities lending transactions (described on page 12). The underlying fund will only do so if there are suitable counterparties available and if the transactions are considered appropriate. The underlying fund may also invest a portion of its assets in securities of other funds, which may also be managed by Fidelity, in accordance with its investment objectives.

The underlying fund may use derivatives like options, futures, forward contracts and swaps to hedge against losses caused by changes in security prices or exchange rates. It may also use these derivatives as a substitute for a stock, stock market or other security which is known as a "non-hedging" purpose. In either case, the underlying fund will use derivatives only in accordance with the limits, restrictions and practices set by Canadian securities regulations or as permitted under the terms of exemptive relief obtained from the securities regulators. See *Regulatory exemptions* in connection with the use of derivatives on page 17 for details of these regulatory exemptions.

The Fund or the underlying fund may depart from its investment objective by temporarily investing most or all of its assets in cash or fixed-income securities issued or guaranteed by a Canadian or U.S. government, government agency or company to try to protect it during a market downturn or for other reasons.

The portfolio manager of the underlying fund may actively trade the underlying fund's investments. This can increase trading costs, which lower the underlying fund's returns. It also increases the possibility that you'll receive taxable capital gains if you hold the Fund in a non-registered account.

Specific information about each of the mutual funds described in this document / Fidelity Canadian Large Cap Class

SIMPLIFIED PROSPECTUS 2011 20

Series T8 Securities

Series T8 Securities are available to all investors who purchase under a deferred sales charge option. Series T8 Securities are designed to provide tax efficient cash flow to investors by making monthly distributions as described below. The minimum initial investment for Series T8 Securities of a Fund is $5,000.

Series S5 Securities

Series S5 Securities are available to all investors who purchase under the initial sales charge option. Series S5 Securities have lower fees than Series T5 Securities, and are designed to provide tax efficient cash flow to investors by making monthly distributions as described below. The minimum initial investment for Series S5 Securities of a Fund is $5,000.

Series S8 Securities

Series S8 Securities are available to all investors who purchase under the initial sales charge option. Series S8 Securities have lower fees than Series T8 Securities, and are designed to provide tax efficient cash flow to investors by making monthly distributions as described below. The minimum initial investment for Series S8 Securities of a Fund is $5,000

Series F5 Securities

Series F5 Securities are designed to provide tax efficient cash flow to investors by making monthly distributions as described below. The above provisions in connection with Series F securities apply equally to Series F5 Securities except that if you are no longer eligible to hold Series F5 Securities they will be switched to Series S5 Securities. The minimum initial investment for Series F5 Securities of a Fund is $5,000.

Series F8 Securities

Series F8 Securities are designed to provide tax efficient cash flow to investors by making monthly distributions as described below. The above provisions in connection with Series F Securities apply equally to Series F8 Securities except that if you are no longer eligible to hold Series F8 Securities they will be switched to Series S8 Securities. The minimum initial investment for Series F8 Securities of a Fund is $5,000.

Series O Securities

Series O Securities are only available to selected investors who have been approved by us and have entered into a Series O Fund Purchase Agreement with us. These investors are typically financial services companies that make large investments in the Funds and that will use Securities of the Funds to facilitate offering other products to investors and/or provide administration to group plans. The criteria for approval may include the size of the investment, the expected level of account activity and the investor's total investments with us. No management and advisory fees are charged to the Funds with respect to the Series O Securities, but investors will be charged a negotiated administrative fee. We don't pay any commissions or trailer fees to dealers who sell Series O Securities. There are no sales charges payable by investors who purchase Series O Securities. We do not specify a minimum investment amount on Series O Securities.

Fidelity, in its sole discretion, may waive any of the above minimum initial investment amounts. For information on buying securities of the Funds, see *How to buy Funds* on page 39.

Series A Securities, Series T5 Securities and Series T8 Securities purchased under the deferred sales charge ("DSC") option will be automatically switched to lower management fee Series B Securities, Series S5 Securities and Series S8 Securities respectively, as soon as possible following one year after the completion of their redemption fee schedules. You will find a description of the deferred sales charge options available and their redemption fee schedules in *Fees and expenses payable directly by you* on page 51. These automatic switches will not be implemented if the value of the Securities to be switched is less than five dollars, but will be implemented once the value of the Securities to be switched is five dollars or more. You can also elect to have your Series A Securities, Series T5 Securities or Series T8 Securities that were purchased under the DSC option switched to the lower management fee Series B Securities, Series S5 Securities or Series S8 Securities respectively, at any time after your redemption fee schedule expires. See *Switching your DSC Securities* on page 37 for details.

Fidelity will pay most of a Fund's operating expenses in exchange for a fixed rate administration fee that is paid by each series (except Series O) of a Fund. Each series pays its proportionate share of common Fund expenses in addition to expenses that are not covered by the fixed rate administration fee that it alone incurs. Please see *Operating expenses* on page 50. We pay common and specific expenses for Series O. The differences in expenses and fees between series mean that each series of a Fund has a different net asset value per Security.

Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 Securities will make monthly distributions of an amount comprising a return of capital on the last business day of each month.

The aggregate distributions that are made on Series T8, Series S8 and Series F8 shares each year are expected to be between approximately 6% and 10% of the average net asset value of the Equity Classes, and between approximately 7.5% and 9% of the average net asset value of the Asset Allocation and Balanced Classes.

For Series T5, Series S5 and Series F5 shares, the aggregate monthly distributions that are made each year are expected to be between approximately 4% and 6% of the average net asset value of the Equity Classes and between approximately 4.5% and 5.5% of the average net asset value of the Asset Allocation and Balanced Classes.

For more details, see *Distribution policy* in each Fund's profile.

3 What does the Fund invest in?

This section tells you the investment objectives and strategies of the Fund. It includes:

Investment objective

Just like you, mutual funds have goals for the money they invest. This section tells you what those goals are. Some seek to earn income, while others seek to increase the value of their investments as much as possible. Still others seek to do both. You'll find details about the kinds of securities the Fund invests in as well as any special focus such as a particular country or industry.

We can't change a Fund's investment objective unless we get approval from a majority of securityholders who vote at a special meeting we call.

Investment strategies

This section tells you how the portfolio manager tries to achieve the Fund's investment objective. You'll find the portfolio manager's general approach to investing and how the portfolio manager chooses investments for the Fund.

All of the Funds can hold cash and invest in fixed-income securities. Some of the Funds may also engage in repurchase and reverse repurchase transactions and securities lending transactions which are described under *Repurchase and reverse repurchase transactions and securities lending risk* on page 12.

Except where exemptive relief has been obtained from the securities regulators, all of the Funds follow the standard investment restrictions and practices set by Canadian securities regulations. The Funds have received an exemption from the requirement to deliver an annual renewal simplified prospectus and any amendments to that simplified prospectus to investors who participate in a pre-authorized chequing plan as described in the *Optional services* section on page 44 unless those investors have requested the documents. We discuss the exemptions that have been received in connection with the use of derivatives below and in the Funds' annual information form.

All of the Funds (except Fidelity Canadian Large Cap Class) can use derivatives. You'll find out how a Fund uses derivatives in the *Investment strategies* section of its Fund profile. See the *Derivative risk* section on page 9 for more information about derivatives.

Except where exemptive relief has been obtained from the securities regulators in their use of derivatives (as described in the next paragraph), all of the Funds follow the standard limits, restrictions and practices set by Canadian securities regulations.

Regulatory exemptions

a) Derivatives

When a Fund uses a derivative for hedging purposes, it must hold another derivative or asset that will offset any losses from the contract. When a Fund uses a derivative for non-hedging purposes, in certain circumstances it must hold cash that's equal to the Fund's market exposure from the derivative. The Funds have been granted exemptions from the securities regulators which relate to the use by the Funds of specified derivatives for hedging and non-hedging purposes, and with respect to the cash cover requirements when the Fund engages in derivatives transactions. In terms of such exemptions, the Funds may, subject to certain conditions:

- enter into interest rate swaps and credit default swaps or, if the transaction is for hedging purposes, currency swaps or forwards, in all cases with a remaining term to maturity of greater than three years;
- to the extent cash cover is required, to cover specified derivative positions with:
  - any bonds, debentures, notes or other evidences of indebtedness that are liquid, provided they have a remaining term to maturity of 365 days or less and have an "approved credit rating" as that term is defined in National Instrument 81-102 – *Mutual Funds* ("NI 81-102");
  - securities of a money market mutual fund managed by Fidelity; or
  - certain floating rate evidences of indebtedness, also known as floating rate notes, which are a "conventional floating rate debt instrument" as that term is defined in NI 81-102, with principal amounts that have a market value of approximately par at the time of each change in the rate to be paid, provided certain conditions as to the issuing body, reset periods and credit ratings are met; and
- use as cover, in addition to the usual cover when the Fund has a long position in a debt-like security that has a component that is a long position in a forward contract, or in a standardized future or forward contract, or when the Fund has an interest rate swap position and during the periods when the Fund is entitled to receive payments under the swap, a right or obligation to sell an equivalent quantity of the underlying interest of the standardized future, forward or swap.

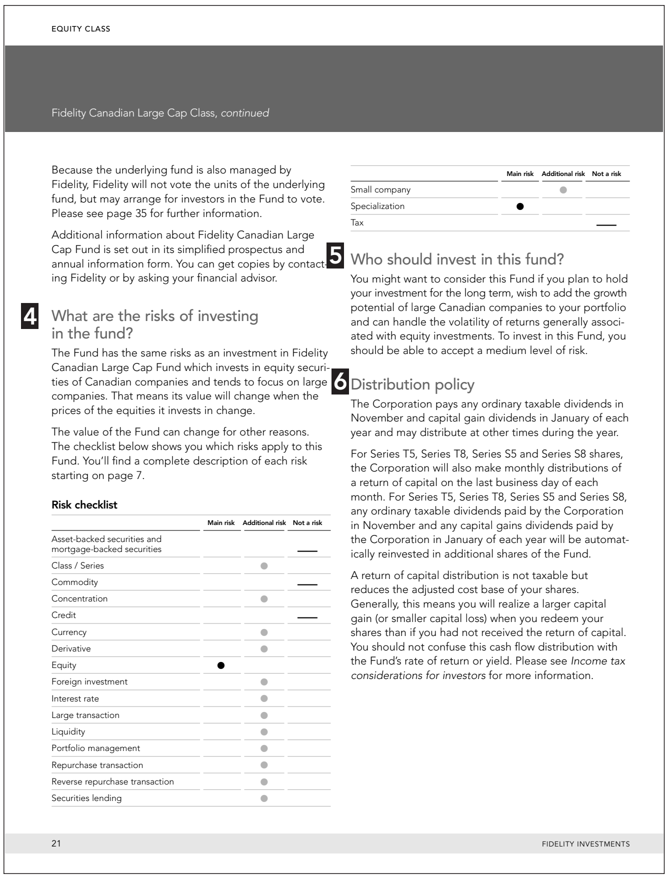
b) Three-Tier Funds

Fidelity Monthly Income Class has obtained regulatory approval for an exemption from certain fund-on-fund investment rules in NI 81-102 to allow it to invest in certain underlying funds managed by Fidelity that, in turn, may hold (directly or indirectly) more than 10% of their net assets in securities of other mutual funds.

For more information on these exemptions and the applicable conditions, see the Funds' annual information form.

4 What are the risks of investing in the Fund?

This section tells you about the specific risks of investing in the Fund. You'll find a discussion of the main risks of


EQUITY CLASS

Fidelity Canadian Large Cap Class, *continued*

Because the underlying fund is also managed by Fidelity, Fidelity will not vote the units of the underlying fund, but may arrange for investors in the Fund to vote. Please see page 35 for further information.

Additional information about Fidelity Canadian Large Cap Fund is set out in its simplified prospectus and annual information form. You can get copies by contacting Fidelity or by asking your financial advisor.

4 What are the risks of investing in the fund?

The Fund has the same risks as an investment in Fidelity Canadian Large Cap Fund which invests in equity securities of Canadian companies and tends to focus on large companies. That means its value will change when the prices of the equities it invests in change.

The value of the Fund can change for other reasons. The checklist below shows you which risks apply to this Fund. You'll find a complete description of each risk starting on page 7.

Risk checklist

	Main risk	Additional risk	Not a risk
Asset-backed securities and mortgage-backed securities			—
Class / Series		●	
Commodity			—
Concentration		●	
Credit			—
Currency		●	
Derivative		●	
Equity	●		
Foreign investment		●	
Interest rate		●	
Large transaction		●	
Liquidity		●	
Portfolio management		●	
Repurchase transaction		●	
Reverse repurchase transaction		●	
Securities lending		●	
Small company		●	
Specialization	●		
Tax			—

5 Who should invest in this fund?

You might want to consider this Fund if you plan to hold your investment for the long term, wish to add the growth potential of large Canadian companies to your portfolio and can handle the volatility of returns generally associated with equity investments. To invest in this Fund, you should be able to accept a medium level of risk.

6 Distribution policy

The Corporation pays any ordinary taxable dividends in November and capital gain dividends in January of each year and may distribute at other times during the year.

For Series T5, Series T8, Series S5 and Series S8 shares, the Corporation will also make monthly distributions of a return of capital on the last business day of each month. For Series T5, Series T8, Series S5 and Series S8, any ordinary taxable dividends paid by the Corporation in November and any capital gains dividends paid by the Corporation in January of each year will be automatically reinvested in additional shares of the Fund.

A return of capital distribution is not taxable but reduces the adjusted cost base of your shares. Generally, this means you will realize a larger capital gain (or smaller capital loss) when you redeem your shares than if you had not received the return of capital. You should not confuse this cash flow distribution with the Fund's rate of return or yield. Please see *Income tax considerations for investors* for more information.

21 FIDELITY INVESTMENTS

each Fund and a risk checklist that tells you all of the risks of the Fund. A complete description of each risk is in the section, *Specific risks of investing in mutual funds* on page 7. For information about the general risks of investing in mutual funds, see *What are the risks of investing in a mutual fund?* on page 6.

5 Who should invest in this Fund?

When you're deciding on a mutual fund, it's important to find one that has the same goals as you do. This section tells you the kind of investor the Fund may be suitable for and how the Fund could fit in your portfolio. It's meant as a guide only. Your financial advisor can help you make the decisions about which Funds best match your goals.

This section will help you decide, along with your financial advisor, whether a Fund is right for you. This information is only a guide. The risk ratings referred to in this section have been assigned using the methodology recommended by the Fund Risk Classification Task Force of The Investment Funds Institute of Canada ("IFIC"). The methodology includes both quantitative and qualitative factors. The Task Force concluded that the most comprehensive, easily understood form of risk in this context is historical volatility risk as measured by the standard deviation of mutual fund performance. Please be aware that other types of risk, both measurable and non-measurable, exist. In addition, just as historical performance may not be indicative of future returns, a Fund's historical volatility may not be indicative of its future volatility. In addition to historical volatility, qualitative factors are also taken into account in determining a Fund's risk rating.

How is the volatility of a fund determined?

One of the most widely accepted ways to quantify the volatility of investment returns is to use a statistical measure called "standard deviation". Standard deviation is used to estimate the dispersion of a set of data around the average value of the data. In the context of investment returns, it can provide a measure of the amount of variability of returns that has historically occurred relative to the average return. For example, if a mutual fund has an average annual return of 6% and a standard deviation of 8%, that means that historically the one-year returns of this mutual fund have ranged between 14% and -2% (i.e., 6% +/- 8%) approximately two-thirds (68%) of the time. The higher the standard deviation of a fund, the greater the range of returns it has experienced in the past.

The IFIC risk rating categories (as modified by the five category risk scale adopted by the Canadian Securities Administrators for purposes of risk disclosure in the fund facts document) are:

- Low – for mutual funds whose performance can be expected to typically vary within a range of 0 to 6 percentage points above or below their average return. This level of volatility is commonly associated with money market funds and Canadian fixed-income mutual funds.
- Low to medium – for mutual funds whose performance can be expected to typically vary within a range of 6 to 11 percentage points above or below their average return. This level of volatility is commonly associated with balanced and asset allocation funds.
- Medium – for mutual funds whose performance can be expected to typically vary within a range of 11 to 16 percentage points above or below their average return. This level of volatility is commonly associated with equity funds investing in large capitalization companies in developed markets.
- Medium to High – for mutual funds whose performance can be expected to typically vary within a range of 16 to 20 percentage points above or below their average return. This level of volatility is commonly associated with equity funds investing in small capitalization companies, or specific regions or sectors.
- High – for mutual funds whose performance can be expected to typically vary within a range of greater than 20 percentage points above or below their average return. This level of volatility is commonly associated with equity funds investing in narrow sectors or emerging market countries where there is substantial risk of loss.

We review the risk rating for each Fund at least annually.

You can get details of the methodology that we use to identify the risk level of a Fund by calling us at 1-800-263-4077, sending us an email at cs.english@fmr.com for the English language version or sc.francais@fmr.com for the French language version, or by writing to us at Fidelity Investments Canada ULC, 483 Bay Street, Suite 300, Toronto, Ontario, M5G 2N7.

6 Distribution policy

This section tells you when you can expect to receive dividends, payments of income and capital gains, or returns of capital from the Fund. We may choose to pay dividends or distributions at other times, including when you redeem Securities. Distributions or dividends on Securities held in Fidelity registered plans are always reinvested in additional Securities of the same series of the same Fund.

Dividends or distributions on Securities held in other registered plans or in non-registered accounts are reinvested in additional Securities of the same series of the Fund unless you tell us in writing that you want to receive them in cash. You won't pay any sales charges on reinvested dividends or distributions or on cash dividends or distributions. Distributions paid on the redemption of Securities are not reinvested but are instead paid to you in cash.

The Funds that offer Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 Securities will make monthly distributions of an amount comprised of a return of capital on the last business day of each month. As well, for Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 Securities any ordinary taxable dividends paid in November and any capital gains dividends paid by the Corporation in January of each year will be automatically reinvested in additional Securities of the Fund.

The aggregate monthly distributions that are made on Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 Securities each year are based on the average net asset values of the particular Funds. Details of the ranges of such distributions are set out under the heading *Distribution Policy* in the Fund profiles of each of the Funds.

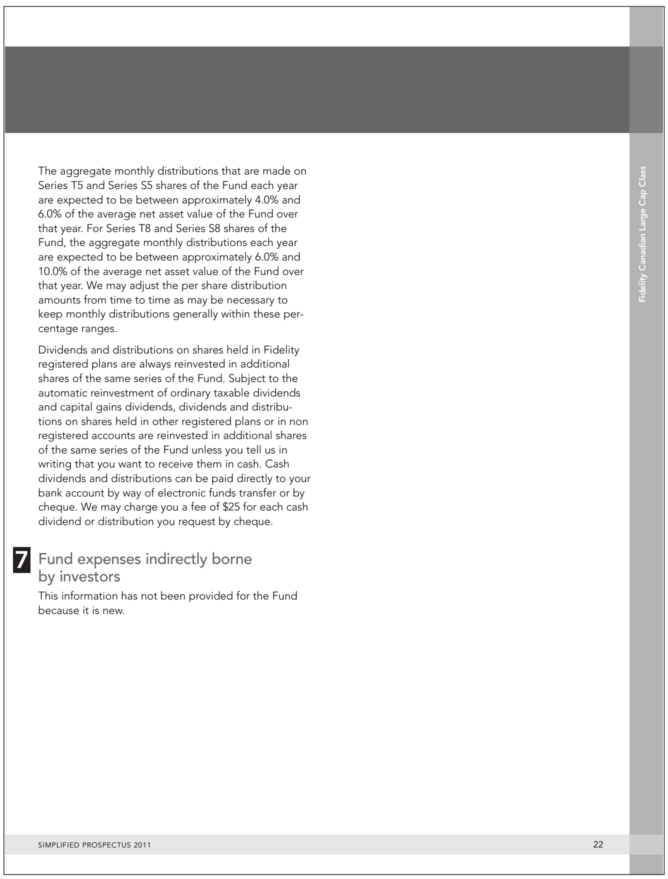
A return of capital distribution is not taxable but reduces the adjusted cost base of your Securities. Generally, this means that you will realize a larger capital gain (or smaller capital loss) when you redeem your Securities than if you had not received the return of capital. You should not confuse this cash flow distribution with a Fund's rate of return or yield.

You'll find more information about dividends and adjusted cost base in *Income tax considerations for investors*.

7 Fund expenses indirectly borne by investors

Each series of a Fund is responsible for its own expenses and its proportionate share of any common Fund expenses that are not included as part of the fixed rate administration fee. While you don't pay these costs directly, they reduce the Fund's return. You'll find more information about the costs of investing in Funds in *Fees and expenses* on page 48.

However, because the Funds are new, they have no historical fund expense information to disclose.


The aggregate monthly distributions that are made on Series T5 and Series S5 shares of the Fund each year are expected to be between approximately 4.0% and 6.0% of the average net asset value of the Fund over that year. For Series T8 and Series S8 shares of the Fund, the aggregate monthly distributions each year are expected to be between approximately 6.0% and 10.0% of the average net asset value of the Fund over that year. We may adjust the per share distribution amounts from time to time as may be necessary to keep monthly distributions generally within these percentage ranges.

Dividends and distributions on shares held in Fidelity registered plans are always reinvested in additional shares of the same series of the Fund. Subject to the automatic reinvestment of ordinary taxable dividends and capital gains dividends, dividends and distributions on shares held in other registered plans or in non registered accounts are reinvested in additional shares of the same series of the Fund unless you tell us in writing that you want to receive them in cash. Cash dividends and distributions can be paid directly to your bank account by way of electronic funds transfer or by cheque. We may charge you a fee of $25 for each cash dividend or distribution you request by cheque.

7 Fund expenses indirectly borne by investors

This information has not been provided for the Fund because it is new.

Fidelity Canadian Large Cap Class

SIMPLIFIED PROSPECTUS 2011 22

Fidelity Canadian Large Cap Class

of Fidelity Capital Structure Corp.

Fund details

Fund type	Canadian equity
Date started	Series A, Series B, Series F, Series T5, Series T8, Series S5 and Series S8 – September 19, 2011
Type of securities	Series A, Series B, Series F, Series T5, Series T8, Series S5 and Series S8 shares of a class of a mutual fund corporation
Eligibility for registered plans	Qualified investment for registered plans.

What does the fund invest in?

Investment objective

This Fund aims to achieve long-term capital growth.

It seeks a similar return to its underlying fund, the Fidelity Canadian Large Cap Fund, by investing substantially all of its assets in units of that Fund.

We can't change the investment objective of the Fund unless we get approval from a majority of shareholders of the Fund who vote at a special meeting we call.

Investment strategies

The underlying fund, which is also managed by Fidelity, aims to achieve long-term capital growth by investing primarily in equity securities of Canadian companies and tends to focus on large companies. The strategies described below relate to the underlying fund.

When buying and selling securities for the underlying fund, the portfolio manager examines each company's potential for success in light of its current financial condition, its industry position, and economic and market conditions. The portfolio manager considers factors like growth potential, earnings estimates and quality of management.

The portfolio manager of the underlying fund considers large companies to be those similar in size to the companies in the S&P/TSX 60 Index. When determining if a company is large, the portfolio manager includes all of the company's shares, including those not listed on a stock exchange.

The underlying fund may also invest in small and medium companies. It may invest up to approximately 49% of its assets in foreign securities and may hold cash and fixed-income securities.

The Fund may enter into reverse repurchase transactions to earn interest on cash balances. The underlying fund may also enter into repurchase transactions, reverse repurchase transactions and securities lending transactions (described on page 12). The underlying fund will only do so if there are suitable counterparties available and if the transactions are considered appropriate. The underlying fund may also invest a portion of its assets in securities of other funds, which may also be managed by Fidelity, in accordance with its investment objectives.

The underlying fund may use derivatives like options, futures, forward contracts and swaps to hedge against losses caused by changes in security prices or exchange rates. It may also use these derivatives as a substitute for a stock, stock market or other security which is known as a "non-hedging" purpose. In either case, the underlying fund will use derivatives only in accordance with the limits, restrictions and practices set by Canadian securities regulations or as permitted under the terms of exemptive relief obtained from the securities regulators. See *Regulatory exemptions* in connection with the use of derivatives on page 17 for details of these regulatory exemptions.

The Fund or the underlying fund may depart from its investment objective by temporarily investing most or all of its assets in cash or fixed-income securities issued or guaranteed by a Canadian or U.S. government, government agency or company to try to protect it during a market downturn or for other reasons.

The portfolio manager of the underlying fund may actively trade the underlying fund's investments. This can increase trading costs, which lower the underlying fund's returns. It also increases the possibility that you'll receive taxable capital gains if you hold the Fund in a non-registered account.

Fidelity Canadian Large Cap Class, *continued*

Because the underlying fund is also managed by Fidelity, Fidelity will not vote the units of the underlying fund, but may arrange for investors in the Fund to vote. Please see page 35 for further information.

Additional information about Fidelity Canadian Large Cap Fund is set out in its simplified prospectus and annual information form. You can get copies by contacting Fidelity or by asking your financial advisor.

What are the risks of investing in the fund?

The Fund has the same risks as an investment in Fidelity Canadian Large Cap Fund which invests in equity securities of Canadian companies and tends to focus on large companies. That means its value will change when the prices of the equities it invests in change.

The value of the Fund can change for other reasons. The checklist below shows you which risks apply to this Fund. You'll find a complete description of each risk starting on page 7.

Risk checklist

	Main risk	Additional risk	Not a risk
Asset-backed securities and mortgage-backed securities			—
Class / Series		●	
Commodity			—
Concentration		●	
Credit			—
Currency		●	
Derivative		●	
Equity	●		
Foreign investment		●	
Interest rate		●	
Large transaction		●	
Liquidity		●	
Portfolio management		●	
Repurchase transaction		●	
Reverse repurchase transaction		●	
Securities lending		●	
Small company		●	
Specialization	●		
Tax			—

Who should invest in this fund?

You might want to consider this Fund if you plan to hold your investment for the long term, wish to add the growth potential of large Canadian companies to your portfolio and can handle the volatility of returns generally associated with equity investments. To invest in this Fund, you should be able to accept a medium level of risk.

Distribution policy

The Corporation pays any ordinary taxable dividends in November and capital gain dividends in January of each year and may distribute at other times during the year.

For Series T5, Series T8, Series S5 and Series S8 shares, the Corporation will also make monthly distributions of a return of capital on the last business day of each month. For Series T5, Series T8, Series S5 and Series S8, any ordinary taxable dividends paid by the Corporation in November and any capital gains dividends paid by the Corporation in January of each year will be automatically reinvested in additional shares of the Fund.

A return of capital distribution is not taxable but reduces the adjusted cost base of your shares. Generally, this means you will realize a larger capital gain (or smaller capital loss) when you redeem your shares than if you had not received the return of capital. You should not confuse this cash flow distribution with the Fund's rate of return or yield. Please see *Income tax considerations for investors* for more information.

The aggregate monthly distributions that are made on Series T5 and Series S5 shares of the Fund each year are expected to be between approximately 4.0% and 6.0% of the average net asset value of the Fund over that year. For Series T8 and Series S8 shares of the Fund, the aggregate monthly distributions each year are expected to be between approximately 6.0% and 10.0% of the average net asset value of the Fund over that year. We may adjust the per share distribution amounts from time to time as may be necessary to keep monthly distributions generally within these percentage ranges.

Dividends and distributions on shares held in Fidelity registered plans are always reinvested in additional shares of the same series of the Fund. Subject to the automatic reinvestment of ordinary taxable dividends and capital gains dividends, dividends and distributions on shares held in other registered plans or in non registered accounts are reinvested in additional shares of the same series of the Fund unless you tell us in writing that you want to receive them in cash. Cash dividends and distributions can be paid directly to your bank account by way of electronic funds transfer or by cheque. We may charge you a fee of $25 for each cash dividend or distribution you request by cheque.

Fund expenses indirectly borne by investors

This information has not been provided for the Fund because it is new.

Fidelity Monthly Income Class

of Fidelity Capital Structure Corp.

Fund details

Fund type	Asset allocation
Date started	Series A, Series B, Series F, Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 – September 19, 2011
Type of securities	Series A, Series B, Series F, Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares of a class of a mutual fund corporation
Eligibility for registered plans	Qualified investments for registered plans.

What does the fund invest in?

Investment objective

This Fund aims to achieve a combination of a steady flow of income and the potential for capital gains.

It invests, either directly or indirectly through investments in other funds, primarily in a mix of equity and fixed-income securities.

We can't change the Fund's investment objective unless we get approval from a majority of shareholders who vote at a special meeting we call.

Investment strategies

The Fund's neutral mix is 50% exposure to equity securities and 50% exposure to fixed income securities. These securities may be either Canadian or foreign, but at least half of the Fund's assets will be invested in Canadian securities. The neutral mix is a guideline and can change in reaction to, or in anticipation of, market changes. The Fund's exposure to equity and fixed income securities may vary by up to +/- 20% from the neutral mix.

What's a neutral mix?

The neutral mix is the combination of equity and fixed-income securities the Fund would have if we didn't factor in our expectations of current investment opportunities and equity and interest rate risk. We use the neutral mix as a guideline and gradually adjust the Fund's assets in reaction to, or in anticipation of, market changes. The Fund's allocation to equity and fixed income securities may vary by up to +/-20% from the neutral mix.

The Fund may invest, either directly or indirectly through underlying funds, in a wide variety of equity and fixed-income securities, including common shares, investment grade and high yield fixed income securities, real estate investment trusts, commercial mortgage-backed securities and convertible securities. Initially, the Fund will invest in Canadian and foreign equities, dividend paying equities, and investment grade and high yield fixed income securities. The portfolio manager will decide which asset class a security belongs to based on its investment characteristics. For example, the portfolio manager may classify a security as a fixed-income security or a money market security according to its interest rate sensitivity and maturity. The portfolio manager may also invest the Fund's assets in other securities that don't fall within these classes.

The Fund will obtain a portion of its fixed income exposure through investments in Fidelity Canadian Bond Capital Yield Fund and Fidelity American High Yield Capital Yield Fund. These underlying funds each employ a "capital yield" investment strategy under which they invest primarily in equity securities and in forward contracts in order to seek returns that are based on other fixed-income funds. Fidelity expects that the gains derived from the disposition of securities under these forward contracts will be treated as capital gains and will be distributed to unitholders, such as the Fund, as capital gains for tax purposes. The Fund may invest in different underlying funds that employ this "capital yield" investment strategy from time to time without notice.

The Fund may invest up to 10% of its net assets in gold and/or silver pursuant to regulatory relief obtained by the Fund. These investments may include gold, gold certificates, silver, silver certificates, derivatives the underlying interest of which are gold and/or silver and certain Gold/Silver ETFs on an unlevered basis. Gold/Silver ETFs are ETFs that seek to replicate the performance of gold and/or silver or an index which seeks to replicate the performance of gold and/or silver. The Gold/Silver ETFs may invest directly or indirectly in gold, silver or derivatives the underlying interest of which is gold and/or silver.

What are High Yield Securities?

Higher yielding, lower quality fixed-income securities are also known as high yield securities. Fixed-income securities of lower quality have lower credit ratings. For example, bonds rated below BBB by Standard & Poor's are considered high yield bonds.

When buying and selling equity securities, the portfolio manager examines each company's potential for success in light of its current financial condition, its industry position and economic and market conditions. The portfolio manager focuses primarily on a company's valuations when deciding whether or not to invest in the company. They also consider industry, market and economic conditions affecting the company. The portfolio manager invests in companies that they believe are undervalued in the marketplace in relation to factors such as the company's assets, sales, earnings, growth potential, or cash flow, or in relation to securities of other companies in the same industry. The portfolio manager considers factors like earnings estimates, ability to pay dividends, and quality of management. The Fund may invest in small, medium, and large equity securities, whether Canadian or foreign.

When buying and selling high yield securities, the portfolio manager relies on fundamental analysis of each issuer and its potential in view of its current financial condition, its industry position and economic and market conditions. The portfolio manager considers a security's features and current price compared to its estimated long-term value, and the earnings potential, credit standing and management of the security's issuer. The portfolio manager may invest in securities that don't produce income, including defaulted securities and common stock or in companies in a troubled or uncertain financial condition.

When buying and selling other fixed-income securities, the portfolio manager analyzes the security's features, its current price compared to its estimated long-term value, the credit quality of the issuer and any short-term trading opportunities resulting from market inefficiencies.

The Fund may also enter into repurchase transactions, reverse repurchase transactions, and securities lending transactions (described on page 12). The Fund will only do so if there are suitable counterparties available and if the transactions are considered appropriate.

The Fund may use derivatives like options, futures, forward contracts and swaps. The Fund will use forward contracts to hedge as completely as possible against fluctuations caused by changes in exchange rates between foreign currencies in developed markets and the Canadian dollar. Therefore, generally, the Fund will not benefit from an increase in the value of foreign currencies against the Canadian dollar. Please read "What are the risks of investing in the fund?" below for information about the risks of the currency hedging strategy.

The Fund may also use derivatives to hedge against losses caused by changes in securities prices or interest rates, and as a substitute for a security which is known as a "non-hedging" purpose. Interest rate swaps and credit default swaps are examples of the types of swaps the Fund may use. In an interest rate swap, a right to receive a payment based on a fixed interest rate is swapped for a right to receive a payment based on a floating interest rate. In a credit default swap, a premium is swapped for a right to receive a payment if an issuer of fixed-income securities fails to make a required payment or if an event occurs that calls into question the creditworthiness of the issuer.

The Fund will use derivatives only in accordance with the limits, restrictions and practices set by the Canadian securities regulations or as permitted under the terms of exemptive relief obtained from securities regulators. See *Regulatory exemptions* in connection with the use of derivatives on page 17 for details of these regulatory exemptions.

Unlike most other Fidelity Funds within Fidelity Capital Structure Corp., the Fund will not invest substantially all of its assets in units of its correspondingly named trust fund, i.e., Fidelity Monthly Income Fund. Although the Fund follows a similar investment strategy to Fidelity Monthly Income Fund, the Fund's

investments will be different from those of Fidelity Monthly Income Fund which will result in different performance returns for these two Funds.

The Fund may depart from its investment objective by temporarily investing most or all of its assets in cash or fixed-income securities issued or guaranteed by a Canadian or U.S. government, government agency or company to try to protect it during a market downturn or for other reasons.

The portfolio manager may actively trade the Fund's investments. This can increase trading costs, which lower the Fund's returns. It also increases the possibility that you'll receive taxable capital gains if you hold the Fund in a non-registered account.

What are the risks of investing in the fund?

The Fund invests, either directly or through investments in units of other Fidelity Funds, primarily in a mix of equity and fixed-income securities. That means that its value will change when the prices of the securities, or units of the funds, it invests in change.

U.S. high yield, lower quality fixed income securities tend to be riskier than higher quality fixed income securities (sometimes called "investment grade"), because the issuers are deemed to be less credit worthy. These types of securities will tend to have a higher risk of default than investment grade fixed-income securities.

Generally, the use of forward contracts to hedge as completely as possible against fluctuations between foreign currencies in developed markets and the Canadian dollar will not result in the impact of currency fluctuations being eliminated altogether. Furthermore, during times of extreme market stress or volatility the Fund may not be able to prevent losses from exposure to foreign currency.

Please refer to *Derivative risk* on page 9 for more information about the risks of using forward contracts.

The Fund's value can change for other reasons. The checklist below shows you which risks apply to this Fund. You'll find a complete description of each risk starting on page 7.

Risk checklist

	Main risk	Additional risk	Not a risk
Asset-backed securities and mortgage-backed securities	●		
Class / Series		●	
Commodity		●	
Concentration		●	
Credit	●		
Currency		●	
Derivative		●	
Equity	●		
Foreign investment		●	
Interest rate	●		
Large transaction		●	
Liquidity		●	
Portfolio management		●	
Repurchase transaction		●	
Reverse repurchase transaction		●	
Securities lending		●	
Small company		●	
Specialization		●	
Tax		●	

Who should invest in this fund?

You might want to consider this Fund if you plan to hold your investment for the long term and want the convenience of a diversified portfolio with the potential for capital gains and income. To invest in this Fund, you should be able to accept a low to medium level of risk.

Distribution policy

The Fund pays any ordinary taxable dividends at the end of each month and capital gains dividends in January of each year. The Fund may also distribute at other times during the year.

For Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares, the Fund will also make monthly distributions of a return of capital on the last business day of each month along with the monthly dividends referred to above.

A return of capital distribution is not taxable but reduces the adjusted cost base of your shares. Generally, this means you will realize a larger capital gain (or smaller capital loss) when you redeem your shares than if you had not received the return of capital. You should not confuse this cash flow distribution with the Fund's rate of return or yield. Please see *Income tax considerations for investors* for more information.

The aggregate monthly distributions and dividends that are made on Series T5, Series S5 and Series F5 shares of the Fund each year are expected to be between approximately 4.5% and 5.5% of the average net asset value of the Fund over that year. For Series T8, Series S8 and Series F8 shares of the Fund, the aggregate monthly distributions and dividends each year are expected to be between approximately 7.5% and 9% of the average net asset value of the Fund over that year. We may adjust the per share distribution and dividend amounts from time to time as may be necessary to keep monthly distributions and dividends generally within these percentage ranges.

Distributions and dividends on shares held in Fidelity registered plans are always reinvested in additional shares of the same series of the Fund. Distributions and dividends on shares held in other registered plans or in non-registered accounts are reinvested in additional shares of the same series of the Fund unless you tell us in writing that you want to receive them in cash. Cash distributions and dividends can be paid directly to your bank account by way of electronic funds transfer or by cheque. We may charge you a fee of $25 for each cash dividend you request by cheque.

Fund expenses indirectly borne by investors

This information has not been provided for the Fund because it is new.

Fidelity Canadian Bond Capital Yield Fund

Fund details

Fund type	Specialty
Date started	Series A, Series B, Series F, Series O, Series T5, Series S5 and Series F5 – September 19, 2011
Type of securities	Series A, Series B, Series F, Series T5, Series S5, Series F5 and Series O units of a mutual fund trust
Eligibility for registered plans	Qualified investment for registered plans.

What does the fund invest in?

Investment objective

This Fund aims to provide a return similar to that of a Canadian fixed-income fund managed by Fidelity, less transaction and hedging costs.

It invests primarily in equity securities issued by Canadian corporations and enters into forward contracts or other similar derivative arrangements in order to hedge its exposure to the equities and provide the Fund with a return based on the performance of a Canadian fixed-income mutual fund managed by Fidelity. In addition or alternatively, it may use other derivative arrangements to provide the Fund with a similar return. It may also invest directly in fixed income securities issued by Canadian and foreign governments or corporations.

We can't change the Fund's investment objective unless we get approval from a majority of unitholders who vote at a special meeting we call.

Investment strategies

The Fund seeks to achieve its investment objective by investing primarily in Canadian equity securities (the "Equity Portfolio") and entering into 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 (the "Reference Fund"), less the costs of the forward contracts and hedging costs. The return of this Fund will not track precisely the return of the Reference Fund due to a number of factors, including the costs of, and the timing of the implementation of, the forward hedging strategy. The Fund expects that the gains under the forward contracts will be treated as capital gains and will be distributed to securityholders as capital gains for tax purposes.

Under the terms of the forward contracts, the Fund is expected to deliver the Equity Portfolio to the counterparty when the forward contracts end. In exchange, the Fund will receive a cash payment determined by reference to the net asset value of the Reference Fund. The securities comprising the Equity Portfolio are agreed to between the Fund and the counterparty and will be pledged to the counterparty as security for the Fund's obligations under the forward contracts. The counterparty will also pledge collateral in favour of the Fund to secure the counterparty's obligations under the forward contracts. The Fund may reduce or eliminate its investment in the Equity Portfolio and its use of forward contracts and invest in securities similar to those held by the Reference Fund where the portfolio manager believes it is in the best interests of the Fund's investors.

The Reference Fund uses the DEX Universe Bond Index as a guide to structuring the Reference Fund and selecting investments. While the portfolio manager manages the Reference Fund to have similar overall interest rate risk to the index, specific investments made by the Reference Fund may or may not be included in the index. Assets of the Reference Fund are allocated among issuers in different market sectors, like corporate or government securities, different industries, like financials and industrials, and different maturities based on the portfolio manager's view of the relative value of each sector or maturity.

When buying and selling fixed-income securities, the portfolio managers of the Reference Fund analyze the security's features, its current price compared to its estimated long-term value, the credit quality of the issuer and any short-term trading opportunities resulting from market inefficiencies.

The Reference Fund may invest in fixed-income securities of any quality or term and may invest up to approximately 30% of its assets in foreign securities. The Reference Fund may also invest a portion of its assets in securities of other funds, which may be managed by Fidelity, in accordance with its investment objectives.

The Fund will use forward contracts as described above. The Fund and the Reference Fund may use derivatives like options, futures, forward contracts and swaps to hedge against losses caused by changes in security prices, interest rates or exchange rates. The Fund and the Reference Fund may also use these derivatives as a substitute for a stock, stock market or other security which is known as a "non-hedging" purpose.

Interest rate swaps and credit default swaps are examples of the types of swaps the Fund and Reference Fund may use. In an interest rate swap, a right to receive a payment based on a fixed interest rate is swapped for a right to receive a payment based on a floating interest rate. In a credit default swap, a premium is swapped for a right to receive a payment if an issuer of fixed-income securities fails to make a required payment or if an event occurs that calls into question the creditworthiness of the issuer.

The Fund and Reference Fund will use derivatives only in accordance with the limits, restrictions and practices set by Canadian securities regulations or as permitted under the terms of exemptive relief obtained from the securities regulators. See *Regulatory exemptions* in connection with the use of derivatives on page 17 for details of these regulatory exemptions.

The Reference Fund may from time to time invest in asset-backed securities and mortgage-backed securities.

The portfolio manager of the Reference Fund may actively trade the Reference Fund's investments. This can increase trading costs, which lower the Reference Fund's returns. It also increases the possibility that you will receive taxable capital gains if you hold the Fund in a non-registered account.

The Fund or the Reference Fund may depart from its investment objective by temporarily investing most or all of its assets in cash or fixed-income securities issued or guaranteed by a Canadian or U.S. government, government agency or company to try to protect it during a market downturn or for other reasons.

Additional information about the Reference Fund is set out in its simplified prospectus and annual information form. You can get copies by contacting Fidelity or by asking your financial advisor.

What are the risks of investing in the fund?

The Fund invests primarily in equity securities and forward contracts that provide a return determined based on the performance of the Reference Fund. If the counterparties to the forward contracts default on their obligations, the Fund may have to realize on the collateral pledged to it by the counterparties. In these circumstances, the Fund would sell that collateral and invest the proceeds in a portfolio of fixed income securities until such time as the Fund can find another counterparty. This could reduce or eliminate the tax benefits of the Fund as the Fund would earn income that is fully taxable. Investors in the Fund also face the risk that a change in tax laws could reduce or eliminate the tax-related benefits associated with the Fund.

In a low interest rate environment a direct investment in the Reference Fund may provide investors with a greater after-tax return. This is due to the costs of the forward contract strategy and will depend on an investor's top marginal tax rate. When interest rates are low the Fund may choose to not implement the forward contract strategy and would invest directly in a portfolio of fixed income securities. In this case the Fund would earn interest income that is fully taxable. Please speak with your financial advisor to discuss whether an investment in the Reference Fund may be more appropriate for your particular circumstances.

The Reference Fund invests primarily in fixed-income securities. That means its value will change when the prices of the fixed-income securities it invests in change.

The Fund's value can change for other reasons. The checklist below shows you which risks apply to this Fund. You'll find a complete description of each risk starting on page 7.

Fidelity Canadian Bond Capital Yield Fund, *continued*

Risk checklist

	Main risk	Additional risk	Not a risk
Asset-backed securities and mortgage-backed securities		●	
Class / Series		●	
Commodity			—
Concentration		●	
Credit	●		
Currency		●	
Derivative	●		
Equity			—
Foreign investment		●	
Interest rate	●		
Large transaction		●	
Liquidity		●	
Portfolio management		●	
Repurchase transaction		●	
Reverse repurchase transaction		●	
Securities lending		●	
Small company			—
Specialization		●	
Tax		●	

Who should invest in this fund?

You might want to consider this Fund if you plan to hold your investment for the long-term and are seeking tax efficient exposure to a portfolio of fixed income securities issued by Canadian and foreign governments and corporations. To invest in this Fund, you should be able to accept a low to medium level of risk. The Fund is not an appropriate investment for registered tax plans because those plans are indifferent to the tax treatment of returns provided by the Fund and the Fund is expected to provide lower pre-tax returns than the Reference Fund due to its transaction and hedging costs.

Distribution policy

The Fund generally distributes any income and capital gains in December of each year and may pay distributions at other times during the year.

For Series T5, Series S5 and Series F5 units, the Fund will also make monthly distributions of a return of capital on the last business day of each month. For Series T5, Series S5 and Series F5 units, any income and capital gains distributed by the Fund in December of each year will be automatically reinvested in additional units of the Fund.

A return of capital distribution reduces an investor's adjusted cost base. Capital gains are generally deferred until the units are sold. Investor should not confuse the cash flow distribution with the Fund's rate of return or yield. Please see *Income tax considerations for investors* for more information.

The aggregate monthly distributions that are made on Series T5, Series S5 and Series F5 units of the Fund each year are expected to be between approximately 4.5% and 5.5% of the average net asset value of the Fund over that year. We may adjust the per unit distribution amounts from time to time as may be necessary to keep monthly distributions generally within these percentage ranges.

Distributions on units held in Fidelity registered plans are always reinvested in additional units of the same series of the Fund. Distributions on units held in other registered plans or in non-registered accounts are reinvested in additional units of the same series of the Fund unless you tell us in writing that you want to receive them in cash. Cash distributions can be made payable directly to your bank account by way of electronic funds transfer, or by cheque. We may charge a fee of $25 for each cash distribution you request by cheque.

Fund expenses indirectly borne by investors

This information has not been provided for the Fund because it is new.

Fidelity American High Yield Capital Yield Fund

Fund details

Fund type	Specialty
Date started	Series A, Series B, Series F, Series O, Series T5, Series S5 and Series F5 – September 19, 2011
Type of securities	Series A, Series B, Series F, Series T5, Series S5, Series F5 and Series O units of a mutual fund trust
Eligibility for registered plans	Qualified investment for registered plans.

What does the fund invest in?

Investment objective

This Fund aims to provide a return similar to that of a U.S. high-yield fund managed by Fidelity, less transaction and hedging costs.

It invests primarily in equity securities issued by Canadian corporations and enters into forward contracts or other similar derivative arrangements in order to hedge its exposure to the equities and provide the Fund with a return based on the performance of a U.S. high-yield securities mutual fund managed by Fidelity. In addition or alternatively, it may use other derivative arrangements to provide the Fund with a similar return. It may also invest directly in fixed income securities issued by U.S. and foreign governments or corporations.

We can't change the Fund's investment objective unless we get approval from a majority of unitholders who vote at a special meeting we call.

Investment strategies

The Fund seeks to achieve its investment objective by investing primarily in Canadian equity securities (the "Equity Portfolio") and entering into 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 American High Yield Fund (the "Reference Fund"), less the costs of the forward contracts and hedging costs. The return of this Fund will not track precisely the return of the Reference Fund due to a number of factors, including the costs of, and the timing of the implementation of, the forward hedging strategy. The Fund expects that the gains under the forward contracts will be treated as capital gains and will be distributed to securityholders as capital gains for tax purposes.

Under the terms of the forward contracts, the Fund is expected to deliver the Equity Portfolio to the counterparty when the forward contracts end. In exchange, the Fund will receive a cash payment determined by reference to the net asset value of the Reference Fund. The securities comprising the Equity Portfolio are agreed to between the Fund and the counterparty and will be pledged to the counterparty as security for the Fund's obligations under the forward contracts. The counterparty will also pledge collateral in favour of the Fund to secure the counterparty's obligations under the forward contracts. The Fund may reduce or eliminate its investment in the Equity Portfolio and its use of forward contracts and invest in securities similar to those held by the Reference Fund where the portfolio manager believes it is in the best interests of the Fund's investors. The Reference Fund invests primarily in higher yielding, lower quality fixed-income securities, preferred stocks and convertible securities issued by U.S. companies.

When buying and selling high yield securities, the portfolio manager of the Reference Fund relies on fundamental analysis of each issuer and its potential in view of its current financial condition, its industry position and economic and market conditions. The portfolio manager considers a security's features and current price compared to its long-term value, and the earnings potential, credit standing and management of the security's issuer.

The Reference Fund may invest in high yield securities issued by companies outside the United States. These securities can be priced in U.S. dollars or a foreign currency. The Reference Fund may invest in securities that don't produce income, including defaulted securities and common stock. The Reference Fund may invest in companies in a troubled or uncertain financial condition. The Reference Fund may also invest in floating rate instruments, which are debt securities or loan syndicates that have floating interest rates that periodically re-set. These types of high yield securities are typically issued by companies pursuant to a recapitalization, acquisition, re-financing or leveraged buyout. The Reference Fund may also invest a portion of its assets in securities of other funds, which may be managed by Fidelity, in accordance with its investment objectives.

The Fund will use forward contracts as described above. The Fund and Reference Fund may use derivatives like options, futures, forward contracts and swaps to hedge against losses caused by changes in securities prices, interest rates or exchange rates. The Fund and Reference Fund may also use these derivatives as a substitute for a stock, stock market or other security which is known as a "non-hedging" purpose.

Interest rate swaps and credit default swaps are examples of the types of swaps the Fund or Reference Fund may use. In an interest rate swap, a right to receive a payment based on a fixed interest rate is swapped for a right to receive a payment based on a floating interest rate. In a credit default swap, a premium is swapped for a right to receive a payment if an issuer of fixed-income securities fails to make a required payment or if an event occurs that calls into question the creditworthiness of the issuer.

The Fund and the Reference Fund will use derivatives only in accordance with the limits, restrictions and practices set by Canadian securities regulations or as permitted under the terms of exemptive relief obtained from the securities regulators. See *Regulatory exemptions* in connection with the use of derivatives on page 17 for details of the regulatory exemptions granted to the Fund and Reference Fund.

The Fund or the Reference Fund may depart from its investment objective by temporarily investing most or all of its assets in cash or fixed-income securities issued or guaranteed by a Canadian or U.S. government, government agency or company to try to protect it during a market downturn or for other reasons.

The portfolio manager of the Reference Fund may actively trade the Reference Fund's investments. This can increase trading costs, which lower the Reference Fund's returns. It also increases the possibility that you will receive taxable capital gains if you hold the Fund in a non-registered account.

Additional information about the Reference Fund is set out in its simplified prospectus and annual information form. You can get copies by contacting Fidelity or by asking your financial advisor.

What are the risks of investing in the fund?

The Fund invests primarily in equity securities and forward contracts that provide a return determined based on the performance of the Reference Fund. If the counterparties to the forward contracts default on their obligations, the Fund may have to realize on the collateral pledged to it by the counterparties. In these circumstances, the Fund would sell that collateral and invest the proceeds in a portfolio of fixed income securities until such time as the Fund can find another counterparty. This could reduce or eliminate the tax benefits of the Fund as the Fund would earn income that is fully taxable. Investors in the Fund also face the risk that a change in tax laws could reduce or eliminate the tax-related benefits associated with the Fund.

In a low interest rate environment a direct investment in the Reference Fund may provide investors with a greater after-tax return. This is due to the costs of the forward contract strategy and will depend on an investor's top marginal tax rate. When interest rates are low the Fund may choose to not implement the forward contract strategy and would invest directly in a portfolio of fixed income securities. In this case the Fund would earn interest income that is fully taxable. Please speak with your financial advisor to discuss whether an investment in the Reference Fund may be more appropriate for your particular circumstances.

The Reference Fund invests primarily in higher yielding, lower quality fixed income securities, preferred stock and convertible securities issued by U.S. companies. That means its value will change when the prices of the securities it invests in change.

The Fund's value can change for other reasons. The checklist below shows you which risks apply to this Fund. You'll find a complete description of each risk starting on page 7.

Risk checklist

	Main risk	Additional risk	Not a risk
Asset-backed securities and mortgage-backed securities		●	
Class / Series		●	
Commodity			—
Concentration		●	
Credit	●		
Currency	●		
Derivative	●		
Equity		●	
Foreign investment		●	
Interest rate	●		
Large transaction	●		
Liquidity	●		
Portfolio management		●	
Repurchase transaction		●	
Reverse repurchase transaction		●	
Securities lending		●	
Small company		●	
Specialization		●	
Tax		●	

Who should invest in this fund?

You might want to consider this Fund if you plan to hold your investment for the long-term and are seeking tax efficient exposure to a portfolio of higher yielding, lower quality fixed income securities issued by U.S. companies. To invest in this Fund, you should be able to accept a medium level of risk. The Fund is not an appropriate investment for registered tax plans because those plans are indifferent to the tax treatment of returns provided by the Fund and the Fund is expected to provide lower pre-tax returns than the Reference Fund due to its transaction and hedging costs.

Distribution policy

The Fund generally distributes any income and capital gains in December of each year and may pay distributions at other times during the year.

For Series T5, Series S5 and Series F5 units, the Fund will also make monthly distributions of a return of capital on the last business day of each month. For Series T5, Series S5 and Series F5 units, any income and capital gains distributed by the Fund in December of each year will be automatically reinvested in additional units of the Fund.

A return of capital distribution reduces an investor's adjusted cost base. Capital gains are generally deferred until the units are sold. Investor should not confuse the cash flow distribution with the Fund's rate of return or yield. Please see *Income tax considerations for investors* for more information.

The aggregate monthly distributions that are made on Series T5, Series S5 and Series F5 units of the Fund each year are expected to be between approximately 4.5% and 5.5% of the average net asset value of the Fund over that year. We may adjust the per unit distribution amounts from time to time as may be necessary to keep monthly distributions generally within these percentage ranges.

Fidelity American High Yield Capital Yield Fund, *continued*

Distributions on units held in Fidelity registered plans are always reinvested in additional units of the same series of the Fund. Distributions on units held in other registered plans or in non-registered accounts are reinvested in additional units of the same series of the Fund unless you tell us in writing that you want to receive them in cash. Cash distributions can be made payable directly to your bank account by way of electronic funds transfer, or by cheque. We may charge a fee of $25 for each cash distribution you request by cheque.

Fund expenses indirectly borne by investors

This information has not been provided for the Fund because it is new.

Organization and management of the Funds

The following table tells you about who's involved in running the Funds.

Manager

Fidelity Investments Canada ULC
483 Bay Street, Suite 300
Toronto, Ontario M5G 2N7

As manager, we are responsible for the day-to-day operations of the Funds and provide all general management and administrative services.

Trustee

Fidelity Investments Canada ULC
Toronto, Ontario

Fidelity Canadian Bond Capital Yield Fund and Fidelity American High Yield Capital Yield Fund are organized as mutual fund trusts and, as trustee, we hold title to each of these Fund's investments in trust for their securityholders under the terms described in a declaration of trust.

Independent Review Committee

The Independent Review Committee ("IRC") is the Fund governance agency for the Fidelity Funds (including the Funds) as contemplated by National Instrument 81-107 ("NI 81-107"). There are currently four members of the IRC, each of whom is independent of us and any party related to us.

The IRC's mandate is to (a) consider and make decisions on those conflict of interest matters that require its approval under NI 81-107, (b) consider and provide its recommendations on those conflict of interest matters that are referred to it for review by the Manager, and (c) perform any other function required by securities legislation. The IRC may also approve mergers involving the Funds and any change of the auditors of the Funds. Securityholder approval will not be obtained in these circumstances, but you will be sent a written notice at least 60 days before the effective date of any such merger or change of auditors.

The IRC will prepare, at least annually, a report for securityholders of its activities. This report will be available on our website at www.fidelity.ca, or you may request a copy, at no cost, by sending us an email at cs.english@fmr.com for the English language version or sc.francais@fmr.com for the French language version.

Additional information about the IRC, including the names of the members of the IRC, is available in the Funds' annual information form.

Custodian

CIBC Mellon Trust Company
Toronto, Ontario

The custodian (or its sub-custodians) holds the investments of the Funds and keeps them safe to ensure that they are used only for the benefit of investors. The custodian is independent of Fidelity.

Registrar

Fidelity Investments Canada ULC
Toronto, Ontario

As registrar, we keep a record of all securityholders of the Funds, process orders and issue account statements and tax slips to securityholders.

Auditor

PricewaterhouseCoopers LLP
Toronto, Ontario

The auditor is an independent chartered accounting firm. The firm audits the annual financial statements of each Fund.

Portfolio adviser

Fidelity Investments Canada ULC
(Fidelity Canadian Large Cap Class and Fidelity Monthly Income Class)

Pyramis Global Advisors, LLC ("Pyramis")
Smithfield, Rhode Island
(Fidelity Canadian Bond Capital Yield Fund and Fidelity American High Yield Capital Yield Fund)

The portfolio adviser makes the investment decisions for the Fund, buys and sells all the investments in the Fund and deals with brokers.

Sub-advisers

Pyramis Global Advisors (Canada) ULC
Toronto, Ontario
(Fidelity Monthly Income Class, Fidelity Canadian Bond Capital Yield Fund and Fidelity American High Yield Capital Yield Fund)

FMR Co., Inc.
Boston, Massachusetts
(Fidelity Monthly Income Class)

Fidelity Investments Money Management, Inc. ("FIMM")
Merrimack, New Hampshire

State Street Global Advisors Ltd ("SSGA")
Montreal, Quebec

The portfolio advisers may engage the sub-advisers to provide investment advice in connection with securities purchased for the Funds.

There may be difficulty in enforcing legal rights against Pyramis, FMR Co., Inc. and FIMM because they are resident, and substantially all of their assets are located, outside Canada.

Fidelity Canadian Large Cap Class and Fidelity Monthly Income Class ("Top Funds") invest in other Fidelity Funds ("Underlying Funds"). Because the Underlying Funds are also managed by Fidelity, Fidelity will not vote the securities of the Underlying Funds. Instead, Fidelity may arrange for such securities to be voted by the Top Fund investors. If Fidelity decides to arrange for Top Fund investors to vote, then Fidelity will ask each Top Fund investor for instructions on how to vote that investor's proportionate share of the Underlying Fund units owned by the Top Fund and will vote on that basis. In those circumstances Fidelity will only vote the proportion of the Underlying Fund units for which it has received instructions.

Purchases, switches and redemptions

You've read the Fund profiles. You've considered your investment objectives and risk tolerance. The next step is making your investment. The following pages tell you how to invest in the Funds, how much it will cost and other important details.

Opening an account

Before you make your first investment in the Funds, you need to open an account. There are several different kinds of Fidelity accounts, which we tell you about below.

You can open an account by contacting your financial advisor and completing an application. You can also invest in the Funds through accounts or plans offered by other financial institutions. Ask your financial advisor for details.

How to buy, redeem or switch Securities of a series of a Fund

The Funds are available in up to ten series of Securities, as set out in each Fund's profile:

Series A, Series B, Series F, Series T5, Series T8, Series S5, Series S8, Series F5, Series F8 and Series O.

Series A, Series B, Series S5, Series S8 Securities, Series T5 and Series T8 are available to all investors. Series F, Series F5, Series F8 and Series O Securities are available only to certain investors who are eligible for those series.

Turn to *About Series A, Series B, Series F, Series T5, Series T8, Series S5, Series S8, Series F5, Series F8 and Series O Securities* on page 14 to find out which series you can invest in.

You can buy, redeem or switch Securities of the Funds through any registered dealer.

When you buy, redeem or switch Securities of a Fund, we have to figure out what they're worth. We do this by calculating the net asset value per Security. The net asset value per Security is the basis of all transactions involving buying, redeeming, switching or reinvesting Securities. See *Income tax considerations for investors* on page 57 for further details about the tax consequences.

Figuring out net asset value per Security

Here's how we calculate net asset value per Security for each series of a Fund:

- We take the series' proportionate share of all the investments and other assets of the Fund.
- We subtract the series' liabilities and its proportionate share of common Fund liabilities. That gives us the net asset value for the series.
- We divide that number by the total number of Securities investors in that series are holding. That gives us the net asset value per Security.

To figure out what your mutual fund investment is worth, simply multiply the net asset value per Security for the series of Securities you own by the number of Securities you own.

We'll buy, redeem or switch Securities for you on any day that The Toronto Stock Exchange (TSX) is open for trading. This is called a valuation day. A valuation day usually ends at 4 p.m. Toronto time, unless the TSX closes earlier. We calculate the value of a Fund's Securities each valuation day. In order to complete your transaction, we'll use the first net asset value per Security we calculate after receiving your instructions.

Fidelity Investments Canada ULC

As of March 20, 2011, Fidelity Investments Canada ULC managed more than $68 billion for its clients.

We are one of a group of companies known as Fidelity Investments®. Each member of the group is a wholly owned subsidiary of FMR LLC. Pyramis is also a subsidiary of FMR LLC. The head office of FMR LLC is 82 Devonshire Street, Boston, Massachusetts, U.S.A. 02109.

Fidelity Investments specializes in investment management for individuals, either directly, through financial advisors, or through group retirement plans. We also provide a wide variety of financial services and products. As of March 30, 2011 the Fidelity Investments group managed more than $1.6 trillion through mutual fund portfolios and other institutional accounts around the world.

All Funds are valued and can be bought in Canadian dollars. Fidelity American High Yield Capital Yield Fund, Fidelity Canadian Large Cap Class and Fidelity Monthly Income Class can also be bought in U.S. dollars.

About sales charges

You may pay a commission to invest in Series A, Series B, Series T5, Series T8, Series S5 and Series S8 Securities of the Funds. This commission is also called a sales charge. The commission compensates your financial advisor for the advice and service he or she provides to you. You can choose to purchase your Securities under a purchase option for which the sales charges may be payable at the time of purchase. This is called an initial sale charge and the amount you pay is negotiable with your advisor. Alternatively, you can choose to wait until you redeem your Securities and pay a percentage of their total value to us at that time. This is called a deferred sales charge.

Series A, Series T5 and Series T8 Securities are available only under a deferred sales charge option. Series B, Series S5 and Series S8 Securities are available only under the initial sales charge option. **If you don't tell us which sales charge option you want, we'll assume you've chosen the low load deferred sales charge option**.

You don't pay any sales charges if you invest in Series F, Series F5, Series F8 or Series O Securities which are only available to certain investors. Please see *About Series A, Series B, Series F, Series T5, Series T8, Series S5, Series S8, Series F5, Series F8 and Series O Securities* on page 14 for more details.

Paying when you buy your Securities

If you buy Series B, Series S5 or Series S8 Securities under the initial sales charge option, you may pay a sales charge at the time you purchase your Securities. You and your financial advisor will need to negotiate the level of the initial sales charge. See *Fees and expenses payable directly by you* on page 51 for details. We deduct the percentage from the amount you invest and pay it to your financial advisor's dealer. See *Dealer compensation* on page 55 for details.

Minimum account size

Due to the high cost of administering accounts, you must keep at least $500 in your account. If your account falls below this amount, we may decide to redeem your securities. We'll give you 30 days to bring the value of your account up to $500 before we redeem your Securities.

Paying when you redeem your Securities

If you choose to buy Series A, Series T5 or Series T8 Securities under the deferred sales charge option, we'll arrange for a commission payment to your dealer at the time that you buy your Securities. See *Dealer compensation* on page 55 for details. When you redeem your Securities, we deduct the sales charge, if any, as a percentage of the cost of your Securities at the time you bought them. This charge, which is paid to us, is called a deferred sales charge because you can put off paying it. The charge gets lower the longer you hold your Securities and under the deferred sales charge option it disappears after six years. If you purchase under the low load deferred sales charge option, the charge disappears after two years, and if you purchase under the low load 2 deferred sales charge option, the charge disappears after three years. You'll find the schedules for these deferred sales charge options under *Fees and expenses payable directly by you* starting on page 51.

You will not pay a deferred sales charge if you:

- switch Securities from one Fund to another Fidelity Fund (but a switch fee is possible).
- choose to receive distributions in cash.
- redeem Securities you received from reinvested distribution.

Switching your DSC Securities

If you purchase Series A, Series T5 or Series T8 Securities under a deferred sales charge option, or if you acquired them under your Fidelity ClearPlan Custom Fund Portfolios program (described on page 45), you may elect to have your Securities switched to Series B, Series S5 or Series S8 Securities, respectively, which have lower management fees, at any time after your redemption fee schedule expires. For Securities purchased under the deferred sales charge option, this means that you can make this election starting six years after the time of purchase. For low load deferred sales charge Securities, this means that you can make this election starting two years after the time of purchase, and for low load 2 deferred sales charge Securities, this means that you can make this election starting three years after the time of purchase. See the schedules for these deferred sales charge options starting on page 52.

Alternatively, if you purchase Series A, Series T5 or Series T8 Securities under a deferred sales charge option, or if you acquired them under your Fidelity ClearPlan Custom Fund Portfolios program (described on page 45), your Securities will be automatically switched to Series B, Series S5 or Series S8 Securities, respectively, which have lower management fees, one year after your redemption fee schedule expires. For Securities purchased under the deferred sales charge option, this means that your Securities will be switched seven years after the time of purchase. For low load deferred sales charge Securities, this means that your Securities will be switched three years after the time of purchase, and for low load 2 deferred sales charge Securities, this means that your Securities will be switched four years after the time of purchase. These automatic switches will not be implemented if the value of the Securities to be switched is less than five dollars, but will be implemented once the value of the Securities to be switched is five dollars or more. See the schedules for these deferred sales charge options starting on page 52.

What's the benefit of the U.S. dollar option?

Our U.S. dollar option allows you to invest in the Funds using your American money. If you buy your units in U.S. dollars, you'll receive U.S. dollars when you redeem them. Buying your units in U.S. dollars will not affect the investment return of your Fund, and, in particular, does not hedge – or protect – against losses caused by changes in the exchange rate between the Canadian and U.S. dollars. This is because we determine the U.S. dollar net asset value per unit by taking the Fund's Canadian dollar net asset value per unit and converting it into U.S. dollars using the exchange rate in effect that day. We use this method for both purchases and redemptions. Whether you invest in Canadian or U.S. dollars, you'll have the same investment return.

10% free amount

Every calendar year, you can redeem up to 10% of the original cost (as described below) of your Series A, Series T5 or Series T8 Securities that would otherwise be subject to the deferred sales charge, at no charge. You can also switch such Securities to Series B, Series S5 or Series S8 Securities respectively, which have lower management fees and do not have a deferred sales charge. We call this the *10% free amount*. The 10% free amount is calculated based on the original cost of the Securities. Redemptions of your 10% free amount will reduce your original cost accordingly (unless your 10% free amount includes the redemption of Securities you received from reinvested distributions). For example, if you invest $10,000 in year 0, in year 1 you can redeem $1,000 (i.e., 10% of $10,000) without paying a deferred sales charge. In year 2 (provided you have not received any distributions in cash or redeemed Securities you received from reinvested distributions, as described below) you can redeem $900 (i.e. 10% of $9,000) without paying a deferred sales charge. You can use up your 10% free amount in one redemption or one switch or spread it out over several redemptions or switches, whichever you prefer. You can't carry forward an unused amount to the next year. However, if you have used some or all of your 10% free amount and then receive distributions in cash that cause you to exceed your 10% free amount in a given year we may commensurately reduce your 10% free amount the following year. We do not automatically switch the 10% free amount of Securities purchased under the deferred sales charge option to initial sales charge Securities, so you may wish to switch those Securities in order not to lose that entitlement. **Securities purchased under the low load deferred sales charge option or the low load 2 deferred sales charge option are not eligible for the 10% free amount.**

You'll use up some of your 10% free amount if you:

- choose to receive dividends in cash. We'll reduce your 10% free amount by the amount of the dividend.
- redeem shares you received from reinvested dividends. We'll reduce your 10% free amount by the value of these shares at the time they were reinvested.

If you switch shares of one Fund to another Fidelity Fund, we'll transfer the 10% free amount on the original Securities you held to the new Securities you acquired.

How to buy Funds

If we receive your order before 4 p.m. Toronto time on a valuation day (which is any day the TSX is open for trading), we will process your order as of that valuation day. Otherwise, we will process your order as of the next valuation day. If the TSX closes earlier than 4 p.m. on a particular valuation day, we may impose an earlier deadline for that valuation day. Any orders received after this earlier deadline would be processed as of the next valuation day. Please see *Figuring out net asset value per Security* on page 36 for more information on how we calculate net asset value on a valuation day.

You have to pay for your Securities when you buy them. We will not accept cash, money orders or traveller's cheques for the purchase of Securities. If we don't receive payment in full within three business days of receiving your order, we'll redeem the Securities that you bought on the next valuation day or when we first learn that your payment will not be honoured. A "business day" is any day except Saturday, or Sunday or a Canadian holiday. If we redeem them for more than you paid, the Fund will keep the difference. If we redeem them for less than you paid, we'll charge your dealer for the difference plus any costs. Your dealer may be entitled to recover any losses from you.

What else you need to know

Here are some other important facts about buying Funds:

- You'll receive a confirmation once we process your purchase. The confirmation is a record of your purchase and includes details about the Securities you bought and any commissions you paid. If you buy Securities through our pre-authorized chequing (PAC) plan, you will receive a confirmation for your first purchase. You will also receive regular account statements that will show each of your purchases.
- You will not receive a confirmation when your Series A, Series T5 or Series T8 deferred sales charge Securities are *automatically* switched to Series B, Series S5 or Series S8 initial sales charge Securities.
- Securities purchased under a deferred sales charge option cannot be exchanged for Securities purchased under a different deferred sales charge option. For example, Securities purchased under the low load deferred sales charge option cannot be exchanged for Securities purchased under the low load 2 deferred sales charge option.
- We don't issue a certificate when you buy Securities of the Funds. Instead, you get regular statements showing how many Securities you own and their value.
- We may refuse any order to buy within one business day of receiving it. If we refuse your order, we'll return your money to you.
- We may require investors who are U.S. citizens or who are residents of the United States or any other foreign country to redeem their Securities, if their participation has the potential to cause regulatory problems. In some cases, we may be required to assess withholding taxes on redemptions by citizens or residents of the U.S. or other foreign countries. Please speak with your financial advisor for more details.
- We won't accept orders to buy Securities during a period when we've suspended securityholders' rights to redeem Securities. See *Suspending your right to redeem Securities* on page 43 for details.

Switching to another series of the same Fund

The following changes are permitted between series of the same Fund.

Switching Series A Securities

You can switch from Series A Securities you bought under a deferred sales charge option to Series T5, Series T8 or Series O Securities of the same Fund. You may have to pay a fee to your dealer. You negotiate the fee with your financial advisor. See *Switch fees* on page 53 for details.

You can also switch to Series B, Series F, Series F5, Series S5, Series F8 or Series S8 Securities provided your redemption fee schedule has expired. See *Switching your DSC Securities* on page 37 for details.

You can only switch to Series F or Series F5 Securities if you're eligible for those series or to Series O Securities subject to our approval. See *About Series A, Series B, Series F, Series T5, Series T8, Series S5, Series S8, Series F5, Series F8 and Series O Securities* on page 14 for details.

Switching Series B Securities

You can switch from Series B Securities that you bought under the initial sales charge option to Series F, Series S5, Series F5, Series S8, Series F8 or Series O Securities of the same Fund. You might have to pay a fee to your dealer. You negotiate the fee with your financial advisor. See *Switch fees* on page 53 for details.

You can only switch to Series F, Series F5 and Series F8 Securities if you're eligible for this series or to Series O Securities subject to our approval. See *About Series A, Series B, Series F, Series T5, Series T8, Series S5, Series S8, Series F5, Series F8 and Series O Securities* on page 14 for details.

Switching Series F Securities

You can switch from Series F Securities to Series F5, Series F8, Series B, Series S5 or Series S8 Securities of the same Fund. You may have to pay a fee to your dealer. You negotiate the fee with your financial advisor. See *Switch fees* on page 53 for details.

You can also switch to Series O Securities subject to our approval. No fee is payable for this switch. See *About Series A, Series B, Series F, Series T5, Series T8, Series S5, Series S8, Series F5, Series F8 and Series O Securities* on page 14 for details.

Switching Series T5 Securities

You can switch from Series T5 Securities you bought under a deferred sales charge option to Series A, Series T8 or Series O Securities of the same Fund and the same deferred sales charge option. You may have to pay a fee to your dealer. You negotiate the fee with your financial advisor. See *Switch fees* on page 53 for details.

You can also switch to Series B, Series F, Series F5, Series S5, Series F8 or Series S8 Securities provided your redemption fee schedule has expired. See *Switching your DSC Securities* on page 37.

You can only switch to Series F, Series F5 or Series F8 Securities if you're eligible for those series or to Series O Securities subject to our approval. See *About Series A, Series B, Series F, Series T5, Series T8, Series S5, Series S8, Series F5, Series F8 and Series O Securities* on page 14 for details.

Switching Series T8 Securities

You can switch from Series T8 Securities you bought under a deferred sales charge option to Series A, Series O or Series T5 Securities of the same Fund and the same deferred sales charge option. You may have to pay a fee to your dealer. You negotiate the fee with your financial advisor. See *Switch fees* on page 53 for details.

You can also switch to Series B, Series F, Series F5, Series S5, Series F8 or Series S8 Securities provided your redemption fee schedule has expired. See *Switching your DSC Securities* on page 37.

You can only switch to Series F, Series F5 or Series F8 Securities if you're eligible for those series or to Series O Securities subject to our approval. See *About Series A, Series B, Series F, Series T5, Series T8, Series S5, Series S8, Series F5, Series F8 and Series O Securities* on page 14 for details.

Switching Series S5 Securities

You can switch from Series S5 Securities that you bought under the initial sales charge option to Series B, Series F, Series O, Series S8, Series F5 or Series F8 Securities of the same Fund. You may have to pay a fee to your dealer. You negotiate the fee with your financial advisor. See *Switch fees* on page 53 for details.

You can only switch to Series F, Series F5 or Series F8 Securities if you're eligible for these series or to Series O Securities subject to our approval. See *About Series A, Series B, Series F, Series T5, Series T8, Series S5, Series S8, Series F5, Series F8 and Series O Securities* on page 14 for details.

Switching Series S8 Securities

You can switch from Series S8 Securities that you bought under the initial sales charge option to Series B, Series F, Series O, Series S5, Series F5 or Series F8 Securities of the same Fund. You may have to pay a fee to your dealer. You negotiate the fee with your financial advisor. See *Switch fees* on page 53 for details.

You can only switch to Series F, Series F5 or Series F8 Securities if you're eligible for these series or to Series O Securities subject to our approval. See *About Series A, Series B, Series F, Series T5, Series T8, Series S5, Series S8, Series F5, Series F8 and Series O Securities* on page 14 for details.

Switching Series F5 Securities

You can switch from Series F5 Securities to Series F, Series F8, Series B, Series S5 or Series S8 Securities of the same Fund. You may have to pay a fee to your dealer. You negotiate the fee with your financial advisor. See *Switch fees* on page 53 for details.

You can also switch to Series O Securities subject to our approval. No fee is payable for this switch. See *About Series A, Series B, Series F, Series T5, Series T8, Series S5, Series S8, Series F5, Series F8 and Series O Securities* on page 14 for details.

If you redeem or switch Securities you hold outside a registered plan, any capital gain you realize is subject to tax. For more information about redemptions and how capital gains are taxed, see **Income tax considerations for investors** *on page 57. Permitted changes of Securities from one series to another series of the same Fund are not subject to tax.*

Switching Series F8 Securities

You can switch from Series F8 Securities to Series F, Series F5, Series B, Series S5 or Series S8 Securities of the same Fund. You may have to pay a fee to your dealer. You negotiate the fee with your financial advisor. See *Switch fees* on page 53 for details.

You can also switch to Series O Securities subject to our approval. See *About Series A, Series B, Series F, Series T5, Series T8, Series S5, Series S8, Series F5, Series F8 and Series O Securities* on page 14 for details.

Switching Series O Securities

You can switch from Series O Securities to Series A, Series B, Series S5, Series S8, Series T5 or Series T8 Securities of the same Fund. You may have to pay a fee to your dealer. You negotiate the fee with your financial advisor. See *Switch Fees* on page 53 for details.

You can also switch to Series F, Series F5 or Series F8 Securities if you are eligible to purchase this series. No fee is payable for this change.

The amount of your investment, less any fees, which are paid by redeeming Securities, will be the same after the switch. You will, however, own a different number of Securities because each series has a different share price. Switching Securities from one series of a Fund to another series of the same Fund is not a disposition for tax purposes.

Switching Securities between Funds of Fidelity Capital Structure Corp.

You can switch shares of a Corporate Fund to shares of another Fidelity Fund that is offered as a class of shares of the Corporation. You may have to pay a fee to your dealer when you switch Series A, Series B, Series T5, Series T8, Series S5 or Series S8 shares. You negotiate the fee with your financial advisor. A short term trading fee may also apply. See *Switch fees* on page 53 for details.

The switch will be done on the same sales charge option basis as that under which the original shares were bought. If you bought shares of the original Fund under a deferred sales charge option, you won't pay a deferred sales charge when you switch. When you redeem shares of the second Fund later on, you'll pay a deferred sales charge based on the date when you bought the first Fund. See *Deferred sales charge* on page 52 for details.

Switching shares of a Corporate Fund to shares of another Fidelity Fund that is offered as a class of shares of the Corporation is not a disposition for tax purposes.

Switching Securities to another Fidelity Fund, other than between Funds of Fidelity Capital Structure Corp.

You can redeem securities of a series of a Fund and use the proceeds to buy securities of another Fidelity Fund.

You may have to pay your dealer a switch fee. You negotiate the fee with your financial advisor. A short-term trading fee may also be payable. See *Switch fees* on page 53 and *Short-term trading fee* on page 54 for details.

If you bought Securities of the original Fund under a deferred sales charge option, you won't pay a deferred sales charge when you do the switch. If you redeem Securities of the second Fidelity Fund later on, you'll pay a deferred sales charge based on the date when you bought Securities of the first Fund. See *Deferred sales charge* on page 52 for details.

Switching securities of a Fund to another Fidelity Fund (other than a switch from a Corporate Fund to a Fidelity Fund that is offered as a class of shares of the Corporation) will be treated for tax purposes as a disposition and subsequent purchase and will trigger a capital gain or loss.

If you redeem or switch securities you hold outside a registered plan, any capital gain you realize is subject to tax. For more information about redemptions and how capital gains are taxed, see *Income tax considerations for investors* on page 57.

How to redeem Fidelity Funds

You can cash in your Fund by selling your Securities back to the Fund. This is called a redemption. You'll receive the net asset value per Security calculated on the valuation day we receive your order to redeem your Securities. We'll deduct any deferred sales charge or fees and send you the balance.

You must put your order to redeem in writing and sign it. An acceptable guarantor must guarantee your signature if the redemption is $25,000 or more. If a corporation, partnership, agent, fiduciary or surviving joint owner holds the Securities we may also ask for other documents.

If we receive your order before 4 p.m. Toronto time on a valuation day (which is any day the TSX is open for trading), we'll process your order as of that valuation day. Otherwise, we'll process your order as of the next valuation day. If the TSX closes earlier than 4 p.m. on a particular valuation day, we may impose an earlier deadline for that valuation day. Any orders received after this earlier deadline would be processed as of the next valuation day. Please see *Figuring out net asset value per Security* on page 36 for more information on how we calculate net asset value on a valuation day. You'll receive your money back in the same currency you used to buy the Fund. We may charge a fee of up to $25 if you request your money back by cheque. There is no fee for electronic deposits.

We won't process orders to redeem for:

- a past date
- a future date
- a specific price
- any Securities that haven't been paid for.

We'll send you your money within three business days of receiving your order, as long as your order is complete. For Securities denominated in U.S. dollars, if the third business day is a U.S. holiday, we will send your money on the next business day that is not a U.S. holiday. A business day does not include Saturdays, Sundays or Canadian holidays. If we don't receive your properly completed order within 10 business days of the sale, we'll buy back the Securities you sold on the next valuation day. If we buy them back for less than you sold them for, the Fund will keep the difference. If we buy them back for more than you sold them for, we'll charge your dealer for the difference plus any costs. Your dealer may be entitled to recover any losses from you.

Suspending your right to redeem Securities

On rare occasions, we may temporarily suspend your right to redeem your Fund Securities and postpone paying your sale proceeds. We can only do this under the following circumstances:

- if normal trading is suspended on any exchange on which securities or derivatives that make up more than half of the Fund's total assets by value are traded and these securities or derivatives aren't traded on any other exchange that is a reasonable alternative for the Fund,
- if we've received permission from the Ontario Securities Commission, or
- if the right to redeem Securities of an underlying fund has been suspended, we'll automatically suspend the redemption of Securities of the Fund that is linked to that underlying fund.

We may charge you a deferred sales charge or a switch fee, along with a short-term trading fee when you redeem or switch Securities. See the section ***Fees and expenses payable directly by you*** *on page 51 for details.*

If we receive your order to redeem on a day when we've suspended the calculation of net asset value per Security, you can withdraw your order before the end of the suspension period. Or you can redeem your Securities based on the net asset value per Security calculated on the first valuation day after the suspension ends.

Optional services

We offer the following plans to make it easier to buy and redeem the Funds. To sign up for a plan, contact your financial advisor or call us for details.

Pre-Authorized Chequing plan

Our pre-authorized chequing plan lets you invest a small amount at regular intervals. This can be an affordable and effective way to build your investments. Putting a little away at a time is a good way to get into the habit of investing.

Here are some facts about our pre-authorized chequing plan:

- You can invest as little as $25 each time. Just tell us how much you want to invest and when.
- We'll withdraw the money directly from your bank account and invest it in the Fidelity Funds you choose.
- You can change how much you invest and how often or cancel the plan whenever you like.
- There are no fees for the plan, other than any sales charges.

When you enrol in our pre-authorized chequing plan, you will receive a copy of the applicable current prospectus and any amendments to that prospectus. Thereafter we will only send you an annual renewal prospectus and amendments upon request.

You can request that a copy of the Funds' annual renewal prospectus and any amendments be sent to you at the time you enrol in our pre-authorized chequing plan, or at any time thereafter by calling us toll-free at 1-800-263-4077, by sending us an e-mail to cs.english@fmr.com for English language versions or sc.francais@fmr.com for French language versions, or by asking your financial advisor. You can also find the annual renewal simplified prospectus and any amendments at www.sedar.com or on our website at www.fidelity.ca.

You have a statutory right to withdraw from an initial purchase of the Funds under our pre-authorized chequing plan but you do not have a statutory right to withdraw from subsequent purchases of the Funds under the pre-authorized chequing plan. However, you continue to have all other statutory rights under securities law, including a misrepresentation right as described in the section *What are your legal rights?* on page 61, whether or not you have requested a renewal simplified prospectus.

Systematic Withdrawal Program

Our systematic withdrawal program lets you withdraw a fixed amount from your Funds at regular intervals. This is an easy way to receive cash, while giving the rest of your money the chance to grow.

Here are some facts about our systematic withdrawal program:

- The systematic withdrawal program is available for non-registered accounts only.
- You can take out as little as $50 each time, as long as you have at least $5,000 in your account when you start the withdrawal program.
- You choose when you receive your money (eg., monthly, quarterly, or every six months). We'll send you a cheque or deposit the money directly into your bank account. We may charge a fee of up to $25 if you request your payment by cheque.
- There are no other fees or charges for the withdrawal program other than any deferred sales charges or short-term trading fees, if applicable.
- You can cancel the withdrawal program by telling us in writing.

It's important to remember that if your regular withdrawals are more than what your Fund is earning, you'll eventually use up your original investment.

Systematic Exchange Program

Our systematic exchange program lets you move money from one Fund to another Fund at regular intervals.

Here are some facts about our systematic exchange program:

- Systematic exchanges can be processed for either a fixed dollar amount or a specific number of Securities.
- You choose how often the exchange occurs – twice a month, monthly, every two months, quarterly, semi-annually or annually.
- You may be charged a short-term trading fee or may have to pay your dealer a switch fee when you exchange securities from one Fund to another Fund. Please see *Fees and expenses payable directly by you* on page 51 for more details.
- Systematic exchanges may trigger capital gains or capital losses.

Fidelity ClearPlan™ Custom Fund Portfolios

Our Fidelity ClearPlan Custom Fund Portfolios ("ClearPlan") program lets you invest in any number of Funds with specific target fund allocations selected by you. In this way, with the help of your financial advisor, you can create your own customized portfolio of investments. We will then rebalance your holdings from time to time, based on your chosen frequency and deviation, as is needed to make sure that your portfolio mix is allocated in accordance with your instructions. Rebalancing may trigger capital gains or capital losses.

Program Options

The ClearPlan program has two types of rebalancing options you can choose from:

Fixed Rebalancing Option

You can choose which Funds you want to invest in and fix the percentages to be invested in each Fund. We will then see to it that your portfolio is rebalanced back to your specified target allocations either quarterly, semi-annually or annually. This is known as the "fixed" rebalancing option. This program can be for an indefinite period and you can change your specified target allocations or rebalancing frequency at any time.

Custom Rebalancing Option

Alternatively, you can have a customized portfolio of Funds with target fund allocations that change over a designated period of time. You specify what your portfolio should consist of at the time you start (both in terms of asset mix and fund selection), and what it should look like by the time the end date is reached. You can also select up to 5 specific portfolio mixes for different points in time between the start and end dates. We will see to it that your portfolio is rebalanced to reflect the different portfolio mixes you selected for each designated point in time. This is known as the "custom" rebalancing option. This program must be for a period of at least 3 years and for no longer than 60 years.

Fund Eligibility

- All of our Canadian denominated Funds (other than the Fidelity ClearPath Retirement Portfolios, offered under a separate simplified prospectus), in all series except Series O, are eligible for this program. Any Funds where your investment is made in U.S. dollars are not eligible to be included in this service. You may also hold Funds separate and apart from your ClearPlan Portfolio, if you choose.

How to Participate

- To participate in this program, you must have a minimum of $10,000 to invest in your ClearPlan portfolio, and you must complete and sign our application form made specifically for this program. By completing the application, you are authorizing us to monitor your ClearPlan portfolio and to rebalance it at intervals selected by you, which can be quarterly, semi-annually, or annually, so that your ClearPlan portfolio is allocated in accordance with your instructions.
- In order to facilitate investing in the service, we have created two special series of Fidelity Canadian Money Market Fund, Series C and Series D, which are offered under a separate simplified prospectus. Series C can only be purchased under a deferred sales charge option, and Series D can only be purchased under the initial sales charge option. When you enrol in the program, your investment is placed

in units of one of these two series. The choice you make regarding whether to purchase Series C or Series D units of Fidelity Canadian Money Market Fund, to activate your portfolio rebalancing program, should correspond with your preferred sales charge option for the Fidelity Funds that will comprise your portfolio. Please see the Fidelity Funds simplified prospectus and annual information form for further information on the Series C and Series D units of Fidelity Canadian Money Market Fund. You can get a copy of that simplified prospectus and annual information form at no cost, by calling us at 1-800-263-4077, sending us an e-mail at cs.english@fmr.com for English language versions or sc.francais@fmr.com for French language versions, or by asking your financial advisor. You can also find these documents and any amendments at www.sedar.com.

- Upon activation of your rebalancing program, your units of Series C or Series D Fidelity Canadian Money Market Fund will automatically be redeemed (at no charge) and the proceeds will be allocated amongst the various Funds you have elected to include in your rebalancing portfolio.
- Note that the Series C and Series D of Fidelity Canadian Money Market Fund are only for use with the portfolio rebalancing program. If you are invested in one or both of these series, and have not activated your rebalancing program within 90 days, you will be automatically switched to Series A or B units (based on your sales charge option) of Fidelity Canadian Money Market Fund.
- Short-term trading fees, discussed on page 54, will not be payable for trades made from Series C or Series D units of Fidelity Canadian Money Market Fund to any other Funds that have been selected by you as part of your portfolio rebalancing program portfolio, while you are enrolled in the ClearPlan program.
- You do not pay a switch fee when you switch Series C or Series D units of Fidelity Canadian Money Market Fund to any other Fund as part of your portfolio rebalancing program.

Here are some other facts about our ClearPlan program:

- We will only act on your standing trade instructions which must be given to us by your financial advisor.
- Your financial advisor will help you with your selection of Funds to make sure they are suitable for you, as well as your choice of rebalancing options, and frequency. Your financial advisor, as your agent, and not Fidelity, is responsible for assessing your continued suitability for this program.
- Rebalancing will occur, at the intervals you specify, provided the market value of your holdings is between 2 and 10 percentage points (you select the deviation, which must be in increments of 0.5 percentage points) above or below your stated target allocation at the time.
- You tell us if you want the rebalancing done quarterly, semi-annually or annually.
- If you redeem all of your investments in a Fund that was part of your target fund allocation without providing us with new standing instructions through your dealer, then, at the time of your next scheduled rebalancing, we will rebalance the remaining Fidelity Funds in your portfolio and proportionately reallocate your investments amongst the same Fidelity Funds in your target fund allocation (which would include the Fund for which you would have just redeemed your Securities).
- You always retain the option of changing your target allocation, rebalancing options or rebalancing frequency of your portfolio upon providing written instructions to us through your financial advisor, notwithstanding any previous instructions you may have provided. You may also request a manual rebalancing of your portfolio outside of the scheduled automatic rebalancing period at any time. Be advised that in some cases a manual rebalancing may trigger short term trading fees. Please see page 54 for details of our short term trading policy.
- There are no separate fees for this program. Any applicable Fund charges will apply.
- Rebalancing transactions could trigger a capital gain or loss.

All of the terms and conditions of the program are on our application forms which are available from your financial advisor.

Registered plans

Registered plans receive special treatment under the *Income Tax Act* (Canada). A key benefit is that generally you don't pay tax on the money you earn in these plans until you withdraw the money. In addition, contributions to an RRSP are deductible from your taxable earnings up to your allowable limit.

We offer the following Fidelity registered plans:

- Registered Retirement Savings Plans (RRSPs)
- Registered Retirement Income Funds (RRIFs), and in Manitoba and Saskatchewan, Prescribed Retirement Income Funds (PRIFs)
- Registered Education Savings Plans (RESPs) (with the ability to accept supplemental grants from the Alberta government and the Quebec Education Savings Incentives)
- Locked-in Retirement Accounts (LIRAs)
- Locked-in Retirement Savings Plans (LRSPs)
- Life Income Funds (LIFs)
- Locked-in Retirement Income Funds (LRIFs)
- Tax-Free Savings Accounts (TFSAs)

There are no annual administration fees or fees to open, maintain or close a plan. Please contact Fidelity or your financial advisor for more information about these plans.

Group plans

A group plan is a collection of individual accounts, typically RRSPs or other registered plans, and are usually set up by an employer. If your employer has set up a group plan, you may be able to make contributions through payroll deductions.

The employer usually decides which Funds will be available through a group plan. However, the employer and Fidelity aren't responsible for the performance of the portfolio of investments selected by you, the investor. It's up to you to decide whether to buy, hold, or redeem Securities in a Fund. Since there may be other investment choices available, you'll have to judge each choice on its own merits. You may want to discuss your choices with an independent financial advisor.

Fees and expenses

The following table shows the fees and expenses you may have to pay if you invest in the Funds. You may have to pay some of these fees and expenses directly. The Funds may have to pay some of these fees and expenses, which will reduce the value of your investment.

Fees and expenses payable by the Fund

Management and advisory fees

Each Fund pays annual management and advisory fees for the management of the Fund and for the investment management of its portfolio. The fees are calculated as a percentage of the net assets of each series of the Fund (except Series O) and are accrued daily and paid monthly. The management and advisory fee is subject to HST. In some cases, Fidelity may waive its right to receive a portion of the management and advisory fees. The aggregate maximum annual rate of the management fee and advisory fees for Series A, Series B and Series F, Series F5, Series F8, Series T5, Series T8, Series S5 and Series S8 Securities is set out below. We charge management fees directly to investors in Series O Securities.

	Annual management and advisory fees								
	Series A Securities	Series B Securities	Series F Securities	Series F5 Securities	Series F8 Securities	Series T5 Securities	Series T8 Securities	Series S5 Securities	Series S8 Securities
Equity Class									
Canadian Equity Class									
Fidelity Canadian Large Cap Class	2.00%	1.85%	0.85%	–	–	2.00%	2.00%	1.85%	1.85%
Asset Allocation and Balanced Fund									
Fidelity Monthly Income Class	1.85%	1.70%	0.70%	0.70%	0.70%	1.85%	1.85%	1.70%	1.70%
Specialty Funds									
Fidelity Canadian Bond Capital Yield Fund	1.25%	1.00%	0.50%	0.50%	–	1.25%	–	1.00%	–
Fidelity American High Yield Capital Yield Fund	1.75%	1.60%	0.85%	0.85%	–	1.75%	–	1.60%	–

The Funds pay the HST at a rate determined separately for each series for each year. The rate that ultimately applies to the fees and expenses paid during a year for a series is determined based on the portion of the net asset value of the series attributable to investors resident in each province or territory at a certain point in time and the GST/HST rate for each of those provinces or territories. Accordingly, HST will be paid based on a "blended rate" of the 5% rate in the non-harmonized jurisdictions, 12% in British Columbia, 15% in Nova Scotia and 13% in the other harmonized provinces. The blended rate will be different from year to year. This happens because different securityholders invest in the different series and the securityholders who invest in each series change from year to year because of purchases, switches and redemptions.

Management fee discounts

In some cases, we may reduce the management fee for certain investors. Investors in Fidelity Canadian Large Cap Class and Fidelity Monthly Income Class may receive a rebate for the management and advisory fees that apply to their Securities, from Fidelity. For investors in Fidelity Canadian Bond Capital Yield Fund or Fidelity American High Yield Capital Yield Fund, these Funds may pay out the amount of the reduction in the form of a distribution. These rebates and distributions are automatically reinvested in additional Securities of the relevant Series of the Fund and are not paid to investors in cash. We may, in our sole discretion, increase or decrease, or cease to make any management fee or Fund expense distributions to any investor at any time.

Our decision to reduce our usual management fee for a large investor depends on a number of factors, including the size of the investment, the expected level of account activity and the investor's total investments with us. We currently only consider an investor a "large investor" for the purposes of consideration for a management fee rebate where their holdings with Fidelity amount to a minimum of $250,000 individually, or $500,000 for a "financial group" (as defined below).

For the program for large investors (our "Large Account Program" or "LAP") Fidelity will offer the following management fee reductions for all eligible large investors in the Funds upon application by their financial advisor and provided the conditions set out below are met:

Management Fee Reductions (basis points)

	Tier 1 (Individual Accounts)	Tier 2 (individual and financial groups)	Tier 3 (individual and financial groups)
Fund	$250k-500k	$500k-5M	Greater than $5M
Fidelity Canadian Bond Capital Yield Fund	5	5	5
Fidelity American High Yield Capital Yield Fund	5	5	5
Fidelity Canadian Large Cap Class	10	15	20
Fidelity Monthly Income Class	5	10	15

These reductions apply to each dollar invested with Fidelity that is part of the LAP – for example, if an investor has assets that fall within the "Tier 2" category, each dollar invested as part of the LAP will receive the applicable reduction. LAP will be available in respect of all the Fidelity Funds in all series. As a condition of participation in the LAP, we will require a voluntary reduction by their financial advisor in the applicable trailer fee that we would otherwise pay to the dealer (except for Series F and Series O Securities where no trailer fee is typically paid), a portion of which would be received by the investor's financial advisor. The expected reduction will be a minimum of 5 basis points for Fidelity Canadian Bond Capital Yield Fund, Fidelity American High Yield Capital Yield Fund and Fidelity Monthly Income Class and 10 basis points for Fidelity Canadian Large Cap Class. The amount of this trailer fee reduction will be payable to the investor in the same manner as the management fee reductions described above. To determine the total reduction payable, you would add the Management Fee Reduction from Fidelity to the voluntary trailer fee reduction from your dealer. All Fidelity investors who meet the minimum account thresholds, either individually or as part of a "financial group" are eligible, upon application to Fidelity by their financial advisor, to participate in this

LAP. A "financial group" is generally defined as all accounts held by related persons living at the same address and includes accounts in the names of corporations for which one or more members of the financial group are beneficial owners of greater than 50% of the voting equity. You can obtain further details on how to participate in this LAP by contacting your financial advisor.

Fidelity, in its sole discretion, may make any changes to or cease to offer reductions in management fees at any time, including with respect to the LAP. Please speak with your financial advisor to learn more about how these reductions work.

Underlying funds fees and expenses

Where the Funds invest in underlying funds, the fees and expenses payable in connection with the management and advisory services of the underlying funds are in addition to those payable by the applicable Fund. However, we make sure that any Fund that invests in another Fidelity Fund does not pay duplicate management and advisory fees on the portion of its assets that it invests in the underlying fund. In addition, any Fund that invests in another Fidelity Fund does not pay duplicate sales fees or redemption fees with respect to the purchase or redemption by it of securities of its underlying fund.

Operating expenses

Fidelity will pay all of the operating expenses of each of the Funds (including for services provided by Fidelity and/or its affiliates), except for "Fund Costs" (see below), in respect of each Series, in exchange for a fixed rate administration fee (the "Administration Fee") that is paid by each Fund. For Series O Units, Fidelity will pay common and specific expenses although each Fund that invests in Series O Units of an underlying fund will be required to reimburse Fidelity for its proportionate share of Fund Costs of its underlying fund.

The expenses borne by Fidelity in exchange for the Administration Fee include transfer agency, pricing and bookkeeping fees, which include processing purchases and sales of securities of the Funds and calculating each Fund's security price; legal, audit and custodial fees; administrative costs and trustee services relating to registered tax plans; filing fees; the costs of preparing and distributing Fund financial reports, simplified prospectuses, fund facts and other investor communications Fidelity is required to prepare to comply with applicable laws, and other expenses not otherwise included in the management and advisory fee.

The "Fund Costs" include the following:

- the fees and expenses of the IRC, which includes compensation paid to IRC members as an annual retainer as well as per meeting attendance fees and the reimbursement of applicable expenses of IRC members;
- taxes (including, but not limited to income tax, capital tax and HST on fees and expenses paid by the Funds);
- brokerage commissions and other securities transaction expenses, including the cost of derivatives;
- interest charges;
- any new fees related to external services that were not commonly charged in the Canadian mutual fund industry as of the date of this prospectus; and
- the costs of complying with any new regulatory requirements, including without limitations, any new fees introduced after the date of this prospectus.

Each Series of a Fund is responsible for its proportionate share of common Fund Costs in addition to expenses that it alone incurs. The costs of the forward contracts attributable to Fidelity Canadian Bond Capital Yield Fund and Fidelity American High Yield Capital Yield Fund are expected to range between 0.25% and 0.45% of the value of the forward contracts per year. These costs, and any related costs (such as hedging), may change at any time without notice to you.

The Administration Fee will fall under one of three tiers depending on the amount of net assets of a Fund. The three tiers are: less than $100 million in net assets; $100 million to $1 billion in net assets; and greater than $1 billion in net assets. As a Fund surpasses these net asset level thresholds the Administration Fee on each of its series will be reduced by 0.01% (i.e., one basis point). The Administration Fee is calculated as a fixed annual percentage (accrued and payable daily) of the net asset value of each Fund as follows:

Fund	Series	Administration Fee Under $100 Million	Administration Fee $100 Million – $1 Billion	Administration Fee Over $1 Billion
Equity Class				
Canadian Equity Class				
Fidelity Canadian Large Cap Class	Series A:	0.312%	0.302%	0.292%
	Series B:	0.262%	0.252%	0.242%
	Series F:	0.234%	0.234%	0.234%
	Series S5:	0.261%	0.251%	0.241%
	Series S8:	0.261%	0.251%	0.241%
	Series T5:	0.311%	0.301%	0.291%
	Series T8:	0.311%	0.301%	0.291%
Asset Allocation and Balanced Fund				
Fidelity Monthly Income Class	Series A:	0.267%	0.257%	0.247%
	Series B:	0.217%	0.207%	0.197%
	Series F:	0.155%	0.155%	0.155%
	Series F5:	0.155%	0.155%	0.155%
	Series F8:	0.155%	0.155%	0.155%
	Series S5:	0.217%	0.207%	0.197%
	Series S8:	0.217%	0.207%	0.197%
	Series T5:	0.267%	0.257%	0.247%
	Series T8:	0.267%	0.257%	0.247%
Specialty Funds				
Fidelity Canadian Bond Capital Yield Fund	Series A:	0.230%	0.220%	0.210%
	Series B:	0.180%	0.170%	0.160%
	Series F:	0.136%	0.136%	0.136%
	Series S5:	0.180%	0.170%	0.160%
	Series T5:	0.230%	0.220%	0.210%
	Series F5:	0.136%	0.136%	0.136%
Fidelity American High Yield Capital Yield Fund	Series A:	0.230%	0.220%	0.210%
	Series B:	0.180%	0.170%	0.160%
	Series F:	0.136%	0.136%	0.136%
	Series S5:	0.180%	0.170%	0.160%
	Series T5:	0.230%	0.220%	0.210%
	Series F5:	0.136%	0.136%	0.136%

The Administration Fee is charged in addition to the management and advisory fee and is subject to HST. The Administration Fee charged to the Funds, may, in any particular period, exceed or be lower than the expenses Fidelity incurs in providing such services to the Funds.

As of the date of this simplified prospectus, each member of the IRC received an annual retainer of $35,000 ($55,000 for the Chair) and a fee of $2,500 ($4,000 for the Chair) for each IRC meeting the member attends, plus expenses for each meeting. These fees and expenses, plus other expenses associated with the IRC, such as insurance and applicable legal costs, are allocated amongst all the Fidelity Funds that are subject to NI 81-107 in a manner considered by Fidelity to be fair and reasonable. As the Funds are new, none of the costs of the IRC have been allocated to the Funds as of the date of this simplified prospectus.

We will give securityholders 60 days' written notice of any change to the basis of the calculation of the fees or expenses that are charged to a Fund or its securityholders by an arm's length party that could result in an increase in charges, or the introduction of a fee or expense to be charged to a Fund or its securityholders, that could result in an increase in charges.

Fees and expenses payable directly by you

Sales charges

Initial sales charge

Series B, Series S5 and Series S8 Securities are available only under the initial sales charge option. You may have to pay an initial sales charge if you buy Series B, Series S5 and Series S8 Securities of a Fund. You and your financial advisor negotiate the amount you pay. The charge can be from 0% to 5% on any Fund. We deduct the sales charge from the amount you invest and pay it to your dealer as a commission.

You pay no initial sales charge when you buy Series F, Series F5, Series F8 or Series O Securities of a Fund.

Deferred sales charge

You'll pay a deferred sales charge if you choose to buy Series A, Series T5 or Series T8 Securities of a Fund under the deferred sales charge option and you redeem your Securities within six years of buying them. The charge is based on the original cost of your Securities and how long you held them. We deduct the charge from the value of Securities you redeem. The charge is paid to us. The table below shows the deferred sales charge schedule:

If you redeem Series A, Series T5 or Series T8 Securities	You'll pay a charge of
during the first year you own them	6.0%
during the second year you own them	5.5%
during the third year you own them	5.0%
during the fourth year you own them	4.5%
during the fifth year you own them	3.0%
during the sixth year you own them	1.5%
after six years of owning them	zero

Your deferred sales charge Series A, Series T5 and Series T8 Securities will be automatically switched to Series B, Series S5 or Series S8 Securities respectively, which have lower management fees seven years after the time of purchase. This switch may result in higher trailing commissions being paid to your dealer. These automatic switches will not be implemented if the value of the Securities to be switched is less than five dollars, but will be implemented once the value of the Securities to be switched is five dollars or more. There are no charges levied when we implement the automatic switches. You can also elect to switch your deferred sales charge Series A, Series T5 or Series T8 Securities to lower management fee Series B, Series S5 or Series S8 Securities respectively, after your redemption fee schedule has expired. See *Switching your DSC Securities* on page 37 for details.

Every calendar year, you can redeem up to 10% of Securities purchased under the deferred sales charge option at no charge, or you can switch those Securities to Securities that have lower management fees and no deferred sales charge. See *10% free amount* on page 38 for details. You can't carry forward an unused amount to the next year.

Low load deferred sales charge option

You may choose to purchase Series A, Series T5 or Series T8 Securities under the low load deferred sales charge option. Under this option, you will pay a deferred sales charge if you redeem your Securities within two years of buying them. The charge is based on the original cost of your Securities and how long you held them. We deduct the charge from the value of Securities you redeem. The charge is paid to us. The table below shows the low load deferred sales charge schedule:

If you redeem Series A, Series T5 or Series T8 low load Securities	You'll pay a charge of
during the first year you own them	2.0%
during the second year you own them	2.0%
after two years of owning them	zero

Your Series A, Series T5 or Series T8 low load deferred sales charge Securities will be automatically switched to Series B Securities, which have lower management fees three years after the time of purchase. This switch may result in higher trailing commissions being paid to your dealer. These automatic switches will not be implemented if the value of the Securities to be switched is less than five dollars, but will be implemented once the value of the Securities to be switched is five dollars or more. There are no charges levied when we implement the automatic switches. You can also elect to switch your low load deferred sales charge Series A, Series T5 or Series T8 Securities to lower management fee Series B, Series S5 or Series S8 Securities after your redemption fee schedule has expired. See *Switching your DSC Securities* on page 37 for details.

Low load 2 deferred sales charge option

You may choose to purchase Series A, Series T5 or Series T8 Securities under the low load 2 deferred sales charge option. Under this option, you will pay a deferred sales charge if you redeem your Securities within three years of buying them. The charge is based on the original cost of your Securities and how long you held them. We deduct the charge from the value of Securities you redeem. The charge is paid to us. The table below shows the low load 2 deferred sales charge schedule:

If you redeem Series A, Series T5 or Series T8 low load 2 Securities	You'll pay a charge of
during the first year you own them	3.0%
during the second year you own them	2.5%
during the third year you own them	2.0%
during the fourth year you own them	zero

Your Series A, Series T5 or Series T8 low load 2 deferred sales charge Securities will be automatically switched to Series B Securities, which have lower management fees four years after the time of purchase. This switch may result in higher trailing commissions being paid to your dealer. These automatic switches will not be implemented if the value of the units to be switched is less than five dollars, but will be implemented once the value of the Securities to be switched is five dollars or more. There are no charges levied when we implement the automatic switches. You can also elect to switch your low load 2 deferred sales charge Series A, Series T5 or Series T8 Securities to lower management fee Series B, Series S5 or Series S8 Securities respectively after your redemption fee schedule has expired. See *Switching your DSC Securities* on page 37 for details.

You pay no deferred sales charge when you redeem Series B, Series F, Series S5, Series S8, Series F5, Series F8 or Series O Securities of a Fund.

Switch fees

You may have to pay a fee of up to 2% of the value of your Securities to your dealer when you switch your securities to a different series of the same Fund (where permitted) or when you switch from Securities of a Fund to Securities of another Fund or Fidelity Fund. The fee is paid by redeeming your Securities immediately before the switch is made.

You negotiate the charge with your financial advisor.

You will not pay a switch fee when you switch from Series F, Series F5 or Series F8 securities of a Fund to Series F, Series F5 or Series F8 securities of another Fidelity Fund.

If you switch to securities of another Fidelity Fund within 90 days of buying them, you may also be charged a short-term trading fee. See *Short-term trading fee* on the following page. In such event, you will not be charged a deferred sales charge on a Switch to another Fund.

You'll find more information about permitted switches of Securities in *Switching to another series of the same Fund* on page 39, *Switching Securities between Funds of Fidelity Capital Structure Corp.* and *Switching Securities to another Fidelity Fund, other than between Funds of Fidelity Capital Structure Corp.* on page 42.

You may have to pay a fee of up to 2% of the value of your Securities to your dealer when you:

- switch from Series A Securities of a Fund to Series O, Series T5 or Series T8 Securities of the same Fund, or
- switch from Series B Securities of a Fund to Series O, Series S5 or Series S8 Securities of the same Fund, or
- switch from Series F Securities of a Fund to Series O, Series B, Series S5 or Series S8 Securities of the same Fund, or
- switch from Series T5 Securities of a Fund to Series O, Series A or Series T8 Securities of the same Fund, or
- switch from Series T8 Securities of a Fund to Series O, Series A or Series T5 Securities of the same Fund, or
- switch from Series S5 Securities of a Fund to Series O, Series B or Series S8 Securities of the same Fund, or
- switch from Series S8 Securities of a Fund to Series O, Series B or Series S5 Securities of the same Fund, or
- switch from Series F5 Securities of a Fund to Series B, Series S5, or Series S8 Securities of the same Fund, or
- switch from Series F8 Securities of a Fund to Series B, Series S5 or Series S8 Securities of the same Fund.

You negotiate the charge with your financial advisor.

You pay no switch fee when you:

- switch from Series C Securities of the Fidelity Canadian Money Market Fund to Series A Securities of the same or Securities of another Fund as part of the ClearPlan program, or
- switch from Series D Securities of the Fidelity Canadian Money Market Fund to Series B, Series F or Series O Securities of the same or Securities of another Fund as part of the ClearPlan program, or
- switch from Series F Securities of a Fund into Series F5, Series F8 or Series O of the same Fund, or
- switch from Series O Securities of a Fund to Series F5 and Series S8 Securities of the same Fund; or
- switch from Series B, Series S5 or Series S8 Securities of a Fund to Series F, Series F5 and Series F8 Securities of the same Fund, or
- switch from Series F5 into Series F, Series F8 or Series O Securities of the same Fund, or
- switch from Series F8 into Series F, Series F5 or Series O Securities of the same Fund.

Registered plan fees

None

Other

Short-term trading fee

If you redeem or switch Securities of Fidelity Canadian Large Cap Class, Fidelity Monthly Income Class or Fidelity American High Yield Capital Yield Fund within 30 days of buying them, you *will* be charged a short-term trading fee of 1% of the value of the Securities, unless we decide to waive the fee in special circumstances. If you redeem or switch Securities of the Funds listed above between 31 and 90 days of purchase, you *may* be charged a short-term trading fee of 1% of the value of the Securities. If you redeem or switch Securities of Fidelity Canadian Bond Capital Yield Fund within 90 days of purchase, you *may* be charged a short term trading fee of 1% of the value of the Securities.

This fee is designed to protect securityholders from other investors moving quickly in and out of the Funds. Frequent trading can hurt a Fund's performance by forcing the portfolio manager to keep more cash in the Fund than would otherwise be needed or to sell investments at an inappropriate time. It may also increase the Fund's transaction costs.

Short-term trading fees are paid to the Fund affected and are in addition to any initial sales charge, deferred sales charge, or switch fee. The fee is deducted from the amount you redeem or switch, or it is charged to your account, and is retained by the Fund. The types of trades for which the short-term trading fee doesn't apply include:

- Securities you receive if you redeem or switch Securities purchased by reinvesting distributions or dividends;
- Securities sold as a result of the death of a security-holder;
- Securities sold as part of a fund-of-fund program; and
- trades made from Series C or Series D units of Fidelity Canadian Money Market Fund to Fidelity Funds that have been selected as part of your Fidelity ClearPlan Custom Fund Portfolios program, while you are enrolled in the program

Cheque fees

You may be charged a fee of $25 plus applicable taxes for each payment which you request by cheque in respect of redemptions or payments under a systematic withdrawal plan, cash dividends or Series T5, Series T8, Series S5, Series S8, Series F5 or Series F8 distributions.

Insufficient funds fee

You may be charged a fee of $25 plus applicable taxes for each payment not honoured by your financial institution.

Series O Fee

The Funds do not pay any management fees in respect of Series O Securities. Instead, you will have to pay an annual fee to us which is negotiable. This fee accrues daily and is paid monthly and will not exceed the aggregate maximum annual rate of the management and advisory fees payable for Series A Securities of the Funds.

Dealer compensation

Impact of sales charges

The table below shows the fees you would have to pay if you bought Securities of a Fund under our different purchase options. It assumes that:

- You invest $1,000 in Securities of the Fund for each period and redeem all of your Securities immediately before the end of that period.
- The sales charge under the initial sales charge option is 5%.
- The deferred sales charge under the deferred sales charge option applies only if you redeem your Securities within six years of buying them, the deferred sales charge under the low load deferred sales charge option applies only if you redeem your Securities within two years of buying them, and the deferred sales charge under the low load 2 deferred sales charge option applies only if you redeem your Securities within three years of buying them. See *Fees and expenses payable directly by you* on page 51 for the redemption fee schedules of the different deferred sales charge options.
- You haven't used your 10% free amount under the deferred sales charge option.

	When you buy your Securities	Within 1 year	Within 3 years	Within 5 years	Within 10 years
Initial sales charge option[1]	$50	–	–	–	–
Deferred sales charge option[2]	–	$60	$50	$30	–
Low load deferred sales charge option[2]	–	$20	–	–	–
Low load 2 deferred sales charge option[2]	–	$30	$20	–	–
No load option[3]	–	–	–	–	–

[1] Only Series B, Series S5 and Series S8 Securities are available under this option. You do not pay any sales charges if you buy Series F, Series F5 or Series S8 Securities. Instead, you pay your dealer an annual fee for investment advice and other services. Series O units are also sold without a sales charge.

[2] Only Series A, Series T5 and Series T8 Securities are available under the deferred sales charge option, the low load deferred sales charge option and the low load 2 deferred sales charge option.

[3] We do not offer a no load option.

How your financial advisor and dealer are paid

Your financial advisor usually is the person you buy Funds from. Your financial advisor could be a broker, financial planner or other person who's registered to sell mutual funds. Your dealer is the firm your financial advisor works for.

Commissions

Your financial advisor usually receives a commission when you invest in Series A, Series B, Series T5, Series T8, Series S5 or Series S8 Securities of the Funds. The commission depends on how you invest in the Funds.

Initial sales charge option

You and your financial advisor decide on the percentage you'll be charged when you buy Series B, Series S5 or Series S8 Securities under the initial sales charge option. The percentage of the sales charge ranges from 0% to 5%. We may deduct the sales charge from the amount you invest and pay it to your dealer as a commission. See *Initial sales charge* on page 52 for details.

Deferred sales charge options

When you choose the deferred sales charge option for Series A, Series T5 or Series T8 Securities, we pay your dealer a commission of 4.9% of the amount you invest. You won't pay a charge unless you redeem your Securities within six years of buying them. See *Deferred sales charge* on page 51 for details.

When you choose the low load deferred sales charge option for Series A, Series T5 or Series T8 Securities, we pay your dealer a commission of 1% of the amount you invest. You won't pay a charge unless you redeem your Securities within two years of buying them. See *Low load deferred sales charge option* on page 52 for details.

When you choose the low load 2 deferred sales charge option for Series A, Series T5 or Series T8 Securities, we pay your dealer a commission of 2.5% of the amount you invest. You won't pay a charge unless you redeem your Securities within three years of buying them. See *Low load 2 deferred sales charge option* on page 52 for details.

Switch fees

When you: (i) switch Series F, Series F5, Series F8 or Series O Securities of a Fund to Series A, Series B, Series T5, Series T8, Series S5 or Series S8 Securities of the same Fund or (ii) switch Securities of a Fund to Securities of the same series of another Fund, you may have to pay your dealer a switch fee of up to 2%. You negotiate the fee with your financial advisor. The charge is paid by redeeming Securities of the Fund you're switching out of. You do not pay a switch fee when you switch Series C or Series D Securities of Fidelity Canadian Money Market Fund to any other Fund as part of your ClearPlan program. Please see *Switch fees* on page 53 for more details about this fee. Also please see *Switching to another series of the same Fund* on page 39, *Switching Securities between Funds of Fidelity Capital Structure Corp.* and *Switching Securities to another Fidelity Fund, other than between Funds of Fidelity Capital Structure Corp.* on page 42 for more information about permitted switches.

Trailer fees

We pay trailer fees to your dealer on Series A, Series B, Series T5, Series T8, Series S5 and Series S8 Securities at the end of each quarter or, if the dealer qualifies, on a more frequent basis. We expect that dealers will pay a portion of the trailer fee to financial advisors for the services they provide to their clients. These fees are a percentage of the average daily value of the Series A, Series B, Series T5, Series T8, Series S5 and Series S8 Securities of each Fund held by the dealer's clients. The fees depend on the Fund and the sales charge option. We may change or cancel the terms of the trailer fees in our discretion and without advance notice. The following table shows the maximum trailer fee rates:

	Maximum annual trailer fee rate			
	Series A, Series T5 and Series T8 Securities			Series B, Series S5 and Series S8 Securities
Fund	Deferred sales charge option	Low load deferred sales charge option	Low load 2 deferred sales charge option	Initial sales charge option
Fidelity Canadian Large Cap Class	0.50%	1.00%	0.50%	1.00%
Fidelity Monthly Income Class	0.50%	1.00%	0.50%	1.00%
Fidelity Canadian Bond Capital Yield Fund	0.25%	0.50%	0.25%	0.50%
Fidelity American High Yield Capital Yield Fund	0.25%	0.50%	0.25%	0.50%

Marketing support programs

We pay for materials we give to dealers to help support their sales efforts. These materials include reports and commentaries on securities, the markets and the Funds. We pay for our own marketing and advertising programs.

We may share with dealers up to 50% of their costs in marketing the Funds. This may include paying a portion of the costs of a dealer in advertising the availability of Funds through its financial advisors. We may also pay part of the costs of a dealer in presenting seminars to educate investors about the Fidelity Funds or generally about the benefits of investing in mutual funds.

We may pay up to 10% of the costs for dealers to hold educational seminars or conferences for their financial advisors to provide them with information about, among other things, financial planning or mutual fund industry matters.

We also arrange seminars for financial advisors from time to time, where we inform them about new developments in the Fidelity Funds, our products and services and mutual fund industry matters. We invite dealers to send their financial advisors to our seminars, but the dealer decides who attends. The financial advisors must pay for their own travel, accommodation and personal expenses if they attend our seminars.

We may also pay the registration costs for financial advisors to attend educational conferences or seminars organized and presented by other organizations.

All of our programs that benefit dealers comply with securities laws. The Funds do not pay the costs of these programs.

Dealer compensation from management fees

We paid dealers compensation of approximately 52.8% of the total management fees we received from all the Fidelity Funds we managed during our financial year ended December 31, 2010. This includes amounts we paid to dealers for commissions, trailer fees, marketing support programs and introduction fees.

Income tax considerations for investors

This information is a general summary of tax rules and is not intended to be legal advice. For this discussion, we assume you are a Canadian resident individual (other than a trust) and that you hold your Securities as capital property. More information is contained in the Funds' annual information form.

We have tried to make this discussion easy to understand. As a result, we cannot be technically precise, or cover all the tax consequences that may apply. We suggest that you consult your tax adviser for details about your individual situation.

How the Funds aim to make money

A Fund can make money two ways. First, it can earn income. Some examples of income are interest paid on bonds, dividends paid on stocks and gains on certain derivatives instruments. Second, a Fund can have capital gains if the value of its holdings goes up. If the Fund sells an investment at a gain, the gain is *realized*. If the Fund continues to hold the investment, the gain is *unrealized*. Income and capital gains can also be earned through investments in underlying funds. The distributions paid by an underlying fund have the character of a dividend from Canadian corporations, taxable capital gain, Canadian income from a trust or foreign income from a trust.

How the Trust Funds are Taxed

Each Trust Fund is established as a separate trust. Each year, each Trust Fund pays out a sufficient amount of its income (after deducting expenses) and realized capital gains so that, generally, it doesn't have to pay ordinary income tax. This is known as a distribution.

Each Trust Fund will elect under subsection 39(4) of the Tax Act to have all gains or losses on dispositions of "Canadian securities" under the Tax Act treated as capital gains or losses. Accordingly, if a Trust Fund delivers Canadian securities to the counterparty under a forward contract, the Trust Fund should realize a capital gain or loss. If the forward is not settled by physical delivery of Canadian securities, the gain or loss realized by the Trust Fund would likely be treated as ordinary income or loss.

How the Corporation is taxed

Each Corporate Fund is established as a class of shares of the Corporation. The Corporation will pay sufficient capital gains dividends and ordinary dividends so that, generally, the tax paid or payable by the Corporation on realized capital gains and dividends from taxable Canadian corporations will be refunded or credited to the Corporation. The Corporation will be liable to pay tax at the corporate rates applicable to a mutual fund corporation on income from other sources such as interest, certain derivative income and foreign income. The Corporation will try to eliminate this tax liability by reducing taxable income through using deductible expenses and tax credits. If the Corporation is not successful in eliminating its tax liability, the Corporation will be subject to tax.

Gains and losses realized by the Corporation from the use of derivatives for non-hedging purposes will be treated as ordinary income and losses for tax purposes, rather than as capital gains and losses. Gains and losses realized by the Corporation from the use of derivatives for hedging purposes may be treated for tax purposes as ordinary income and losses or as capital gains and capital losses, depending on the circumstances. The Corporation treats the gains and losses realized on derivatives used by Fidelity Monthly Income Class to hedge against currency fluctuations as capital gains and capital losses, rather than as ordinary income and losses. While this treatment is commonly applied by the mutual fund industry, the Canada Revenue Agency could reassess the Corporation on the basis that these amounts are income. A reassessment may result in a tax liability for the Corporation, if the Corporation does not have sufficient deductible expenses and tax credits to offset this income.

The Corporation keeps track of the assets and liabilities of each fund (i.e. each class of shares) separately, but for tax purposes it must calculate its net income, net realized capital gains, tax credits, tax refunds and tax liability as a single corporation. As a result, the dividends and capital gains dividends paid to you on your Securities of a Corporate Fund will likely be different than the amount you would have received if that Corporate Fund was a stand-alone fund. To explain, if a Corporate Fund has expenses in a year that are greater than the income earned on its assets in that year, it may be necessary to deduct those expenses against income earned on the assets of another Fidelity Fund that is a class of shares of the Corporation. In this way, expenses or loss carryforwards from one fund may be used to reduce income or capital gains from another fund, thus reducing the tax liability attributed to that fund or the amount of capital gains dividends paid on that fund. Also, the amount of capital gains dividends that the Corporation must pay to eliminate tax on its net realized capital gains will be affected by the level of redemptions of all Securities of all funds of the Corporation and by accrued gains and losses on all of the assets of the Corporation. The Corporation may be forced to buy and sell assets of a fund more quickly than a fund would otherwise choose to do because of switching between funds (including switching that occurs under the ClearPlan service and systematic exchange program), resulting in earlier recognition of gains and losses. This may increase or decrease the amount of capital gain dividends paid in a year.

The Corporation employs a methodology to calculate the income, capital gains, expenses, loss carryforwards, tax credits, tax refunds and tax liability of the Corporation in a tax efficient manner and to allocate them among the funds of the Corporation in a manner that, in Fidelity's view, is both consistent and fair to investors. The amount of dividends and capital gains dividends that are paid to investors by each fund (i.e. on each class of shares) of the Corporation are determined in accordance with an allocation policy that has been approved by the Board of Directors of the Corporation.

Most of the funds that are part of the Corporation invest their assets in units of underlying Fidelity Funds. In determining its taxable income and any dividends and/or capital gains dividends to be paid, the Corporation must consider the distributions of income and capital gains that it receives from underlying

Fidelity Funds. The Corporation must also consider any capital gains or losses realized on the disposition of units of the underlying Fidelity Funds, as well as capital gains and losses on securities sold under forward contracts and other securities. Generally, distributions of dividends received from an underlying Fidelity Fund will be flowed through to shareholders of the corresponding class of the Corporation (i.e. the class that invests in that underlying fund). Similarly, distributions of capital gains, and foreign and other income, as well as any capital gains and losses on securities sold under forward contracts will also generally be attributed to the corresponding class. Expenses will generally be attributed to the various classes of the Corporation, as incurred, in order to reduce dividends paid on that particular class, however they may also be used to reduce dividends paid on other classes. Due to the complexity of the Corporation's tax structure, there are other factors that will also be taken into account in making dividend payments. For example, if the amount that would otherwise be paid by a certain class applying the above considerations is de minimus, such amount may instead be paid by other classes that are already paying dividends.

The Board of Directors of the Corporation has final discretion as to the payment of dividends and will consider appropriate deviations from the above considering the best interests of all investors of the Corporation. Dividends and/or capital gains dividends may be paid by a class of the Corporation for a year when income was not received and/or net capital gains were not realized on the assets of that class.

How you are taxed

The tax you pay on your mutual fund investment depends on whether you hold your Securities in a registered plan or in a non-registered account.

Funds you hold in a registered plan

If you hold your Securities in a registered plan, you don't have to pay any taxes on distributions or dividends your plan received from the Funds or on any capital gains your plan realizes from redeeming Securities. Any withdrawals you receive from your registered plan, however, will generally be subject to tax (special rules apply to RESPs and Registered Disability Savings Plans, and withdrawals from a TFSA are not subject to tax). Annuitants of RRSPs and RRIFs, and holders of TFSAs should consult their own tax advisors as to whether Securities of the funds would be prohibited investments under the Tax Act in their circumstances.

Funds you hold in a non-registered account

If you hold your Securities in a non-registered account, we'll send you a tax slip each year if a dividend or distribution is paid to you. It shows in the case of a Corporate Fund, your share of ordinary dividends or capital gains dividends paid to you during the previous calendar year, and in the case of a Trust Fund, your share of the Trust Fund's income, net realized capital gains and capital distributions, for the previous year, as well as any allowable tax credits. Income may include dividends from taxable Canadian corporations, foreign income and other income. Dividends paid by Canadian companies, including the Corporation, will be taxed subject to the gross-up and dividend tax credit. An enhanced gross-up and dividend tax credit is available for certain eligible dividends paid by Canadian corporations, including the Corporation. If the Fund has earned foreign income, it may have paid foreign withholding tax. In the case of a Trust Fund, some or all of this tax may be credited against the Canadian income tax you pay. Capital gains distributed by a Trust Fund and capital gains dividends paid by the Corporation will be treated as if you realized them directly. Returns of capital are not immediately taxable. Instead, a return of capital reduces the *adjusted cost base* of your Securities of the Fund. If the adjusted cost base of your Securities is reduced to less than zero you will realize a capital gain equal to the negative amount and your adjusted cost base will be increased to zero. Monthly distributions on Series S5, T5, F5, S8, T8 and F8 Securities will be, in whole or in part, comprised of returns of capital.

You must include the taxable portion of the amounts shown on the tax slip as part of your annual income. This applies even if your distributions or dividends are reinvested in Securities of the Fund.

Capital gains and losses when you redeem your Securities

You can convert from one Corporate Fund to another Fidelity Fund that is also a class of the Corporation without triggering a disposition or capital gain or loss. This will include conversions that occur under the ClearPlan service or systematic exchange program. Any permitted switches of series within the same Fund can be made without triggering a capital gain or a capital loss.

You'll have a capital gain if the amount you receive from redeeming or switching a Security (other than between classes of the Corporation) is more than the adjusted cost base of the Security, after deducting any costs of redeeming or switching the Security. This includes redemptions and switches that occur under the ClearPlan service or systematic exchange program. You'll have a capital loss if the amount you receive from a sale is less than the adjusted cost base, after deducting any costs of redeeming or switching your Securities. Generally, one-half of a capital gain is included in calculating your income.

If you've bought Securities at various times, you will likely have paid various prices. The adjusted cost base of a Security is the average of the cost of all the identical Securities you hold in the Fund. That includes Securities you got through reinvestments of distributions.

In certain cases, individuals may also have to pay alternative minimum tax on the capital gains or dividends they earn.

Buying Securities late in the year

The Security price of a Fund may include income and/or capital gains that the Fund has earned or realized but not yet distributed. You will be taxable on dividends and on distributions of income and capital gains even if the related income and capital gains accrued to the Fund or were realized by the Fund but remain undistributed before you acquired the Securities. This could be particularly significant if you purchase Securities of the Fund late in the year or on or before the date on which a dividend will be paid.

Portfolio turnover

The higher a Fund's or underlying fund's portfolio turnover rate in a year, the greater the chance that you will receive a capital gains distribution or capital gain dividend. Any gains realized would be offset by any losses realized on portfolio transactions. There is not necessarily a relationship between a high turnover rate and the performance of a Fund.

How to calculate adjusted cost base

Here's how the aggregate adjusted cost base of your Securities of a series of a particular Fund is generally calculated:

- *start with your initial investment, including any sales charges you paid*
- *add any additional investments, including any sales charges you paid*
- *add any distributions or dividends you reinvested (including management fee distributions and rebates)*
- *in the case of a Corporate Fund, add the adjusted cost base of Securities which were switched from another Fidelity Fund that was a class of the Corporation*
- *subtract any distributions that were a return of capital*
- *subtract the adjusted cost base of any previous redemptions*
- *in the case of a Corporate Fund, subtract the adjusted cost base of Securities of the Fund which were switched to another Fund that was a class of the Corporation.*

To calculate adjusted cost base, you'll need to keep detailed records of the price you paid for your investments and the distributions and dividends you received on those Securities. Monthly distributions on Series S5, T5, F5, S8, T8 and F8 Securities of the Funds will be, in whole or in part, comprised of returns of capital, which will affect the adjusted cost base of your Securities. We will provide you with information regarding any distributions that are a return of capital. For more information, contact your tax adviser.

What are your legal rights?

Securities law in several provinces gives you the right to withdraw from an agreement to buy securities within two business days after you receive a simplified prospectus or to cancel your purchase within 48 hours after you receive confirmation of a securities purchase. If you buy securities under a contractual plan, the time period for your right to withdraw from the purchase may be longer.

In several provinces and territories, securities law also gives you the right to cancel a purchase or, in some jurisdictions, claim damages if the simplified prospectus or annual information form or financial statements contain a misrepresentation. You must act within the time limit set by the securities legislation in your province or territory. You can find out more by consulting the securities legislation in your province or territory or by consulting a legal adviser.

SEPTEMBER 19, 2011

Fidelity Funds and Fidelity Capital Structure Corp.

Series A, Series B and Series F Securities (unless otherwise indicated)

You can find additional information about each Fund in its annual information form, fund facts, management reports of fund performance and its most recently filed annual or interim financial statements. These documents are incorporated by reference into this simplified prospectus. That means they legally form part of this document just as if they were printed in it.

You can get a copy of the Funds' annual information form, management reports of Fund performance and financial statements at no cost, by calling us at 1-800-263-4077, sending us an e-mail at cs.english@fmr.com for English language versions or sc.francais@fmr.com for French language versions, or by asking your financial advisor. You'll also find this simplified prospectus and the financial statements on our website at www.fidelity.ca.

These documents and other information about the Funds, such as information circulars and material contracts, are also available on our website at www.fidelity.ca and at www.sedar.com.

Equity Class

Canadian Equity Class

Fidelity Canadian Large Cap Class* (Series T5, Series T8, Series S5 and Series S8 shares also available)

Asset Allocation and Balanced Class

Fidelity Monthly Income Class* (Series T5, Series T8, Series S5, Series S8, Series F5 and Series F8 shares also available)

Specialty Funds

Fidelity Canadian Bond Capital Yield Fund (Series O, Series T5, Series S5 and Series F5 units also available)

Fidelity American High Yield Capital Yield Fund (Series O, Series T5, Series S5 and Series F5 units also available)

*Classes of Fidelity Capital Structure Corp.

Fidelity Investments Canada ULC, 483 Bay Street, Suite 300, Toronto, Ontario M5G 2N7

Fidelity INVESTMENTS®

62.110536E

09/11 LEG-13402