

Simplified Prospectus dated April 3, 2018

# Fidelity<sup>®</sup> Funds and Fidelity<sup>®</sup> Capital Structure Corp.

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## Equity Fund

### **Global Equity Fund**

Fidelity Founders Investment Trust	Series O units
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## Fidelity ClearPath<sup>®</sup> Retirement Portfolio

Fidelity ClearPath <sup>®</sup> 2060 Portfolio	Series A, B, E1, E2, F, O, P1 and P2 units
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## Fixed Income Fund

### **Global Fixed Income Fund**

Fidelity Emerging Markets Local Currency Debt Investment Trust	Series O units
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## Equity Classes

### **Global Equity Classes**

Fidelity Founders Class*	Series A, B, E1, E1T5, E2, E2T5, E3, E3T5, E4, E5, F, F5, F8, P1, P1T5, P2, P2T5, P3, P3T5, P4, P5, S5, S8, T5 and T8 shares
Fidelity Founders Currency Neutral Class*	Series A, B, E1, E1T5, E2, E2T5, E3, E3T5, E4, E5, F, F5, F8, P1, P1T5, P2, P2T5, P3, P3T5, P4, P5, S5, S8, T5 and T8 shares

\* Class 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.

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# Introduction

This document is a simplified prospectus. In this document, we, us, our and Fidelity refer to Fidelity Investments Canada ULC, and the Corporation refers to Fidelity Capital Structure Corp., which is a mutual fund corporation. The funds offered under this simplified prospectus are referred to together as the Funds and individually as a Fund.

Fidelity Founders Investment Trust and Fidelity Emerging Markets Local Currency Debt Investment Trust are Investment Trusts. The Investment Trusts and Fidelity ClearPath® 2060 Portfolio are mutual funds organized as trusts and are referred to together as the Trust Funds. Fidelity Founders Class and Fidelity Founders Currency Neutral Class are mutual funds offered as classes of shares of the Corporation and are referred to together as the Class Funds. The Class Funds, along with other mutual funds that are organized as classes of the Corporation offered under separate simplified prospectuses, are collectively referred to as the Corporate Funds or each may be sometimes referred to as a Corporate Fund.

The Funds are grouped into the categories and sub-categories set out on the cover page of this simplified prospectus.

Fidelity ClearPath® 2060 Portfolio is a Fidelity ClearPath® Retirement Portfolio. The other Fidelity ClearPath® Retirement Portfolios are offered under a separate simplified prospectus. The term Portfolio may be used to refer to Fidelity ClearPath® 2060 Portfolio.

The Funds, together with other funds managed and offered by Fidelity under separate simplified prospectuses, are referred to as the Fidelity Funds.

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. Sometimes we use industry or defined terms to describe something in this document. We provide a brief description of some of those terms in the glossary at the end of this document. Terms that are contained in the glossary are in italics in this document.

## Introduction (*continued*)

This document is divided into two parts. The first part explains what mutual funds are and the different risks you face by investing in them. It also provides general information that applies to all of the Funds. The second part contains specific information about each of the Funds.

Additional information about each Fund is available in its annual information form, its most recently filed fund facts, its most recently filed annual financial statements and any interim financial statements filed after those annual financial statements, and its most recently filed annual management report of fund performance and any interim management report of fund performance filed after that annual management report 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 included 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 by calling us at 1-800-263-4077, by sending us an e-mail at [cs.english@fidelity.com](mailto:cs.english@fidelity.com) (for assistance in English) or [sc.francais@fidelity.com](mailto:sc.francais@fidelity.com) (for assistance in French) or by asking your *financial advisor*. You can 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](http://www.fidelity.ca).

These documents and other information about the Funds are also available at [www.sedar.com](http://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 that you do. A professional investment expert – called a portfolio manager – takes that 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 Securities

When you invest in a mutual fund, you're buying a piece of the mutual fund, which piece is called a unit in the case of a mutual fund organized as a trust (such as the Trust Funds) and a share in the case of a mutual fund offered as a class of shares of a mutual fund corporation (such as the Class Funds). 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 the size of your piece of a mutual fund by recording how many Securities you own. 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. This is called a *dividend* in the case of Class Funds or a distribution in the case of Trust Funds.

## 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 objectives. For example, there are mutual funds for people who want to gain exposure to short-term *fixed income securities* as well as mutual funds for those who want to gain 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 mutual fund perform. 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 trade on a public exchange are generally valued at their last sale or closing price as reported on that valuation day. If there is no reported sale and no reported closing price, we 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 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 that 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 invest in units of other funds, called *underlying funds*. *Underlying funds*, in turn, may invest in debt securities, equity securities or, in some cases, securities of other funds.

## What is a mutual fund and what are the risks of investing in a mutual fund? *(continued)*

### **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. These entities 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 for repayment 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 that trade 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 share 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 share price is likely to go down. Some kinds of equity securities also pay you a portion of any profit 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 proprietary information and research that isn't as accessible 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 goes 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 that 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 mutual fund. Then there are expenses paid by the mutual fund itself. For example, there are management fees, brokerage commissions, and operating expenses. Even though the mutual fund, and not the investor, pays these costs, they reduce an investor's return.

See the **Fees and expenses** section for 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 that 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 may 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 any *deferred sales charge* that you would have to pay if you sold your Securities decreases each year, and disappears entirely after you've held the mutual fund Securities for a specified number of years.

### What the mutual 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 this fee directly from the mutual fund itself, not from individual investors, except for Series O, where a negotiated management fee is charged directly to investors. The managers use the management fee to pay expenses, like employee salaries, research costs, trailing commissions, and promotional expenses. See the **Fees and expenses** section for details.

There are also a number of other expenses involved in running a mutual fund. For example, a mutual fund needs to value all of its investments every valuation day, and determine the appropriate price to process the day's orders to buy and redeem Securities of the mutual 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 mutual 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 mutual fund.

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

### 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* depends 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 this section 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 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 may be able to afford to take some risk. If you have 30 years, the ups and downs of the

## What is a mutual fund and what are the risks of investing in a mutual fund? *(continued)*

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 equity investments tends to rise more often than it falls. Of course, how well a mutual fund 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 consider having 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 depends 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.

Unlike bank accounts or guaranteed investment certificates, 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*** under the heading ***Purchases, switches and redemptions*** for more information.

Mutual funds own different kinds of investments, depending on their investment objectives. The value of these investments changes 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.

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. 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-term. 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 mutual funds you choose suit the length of time you expect to invest. 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 and 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 studying reports about the companies they're investing in, analyzing statistics, and examining the mix of investments in the mutual 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 achieves 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. 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 securities 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. The main risks associated with investing in asset-backed securities and mortgage-backed securities are:

- 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.
- The underlying loans may not be ultimately repaid in full, in some cases leading to holders of asset-backed securities and mortgage-backed securities not receiving full repayment.
- If these securities are prepaid before maturity and the prepayment is unexpected, or if it occurs faster than predicted, the asset-backed securities or mortgage-backed securities may pay less income, and their value might decrease. Since issuers generally choose to prepay when interest rates fall, the mutual fund may have to reinvest this money in securities that have lower rates.

### **Commodity risk**

Some mutual funds invest indirectly in commodities or commodity sectors, including gold, silver, other precious metals, industrial metals, energy, and soft (or grown) commodities, like wheat, livestock, cocoa, cotton, coffee,

and sugar. There are several ways a mutual fund can obtain commodities exposure, including by:

- Purchasing securities of an exchange-traded fund or *ETF*.
- Purchasing exchange-traded *derivatives*.
- Investing directly in a company operating in a commodities sector.

*ETFs* that seek to replicate the performance of gold, silver, or both, or of an index that tracks such performance, are referred to as *Gold/Silver ETFs*. *Gold/Silver ETFs* may be leveraged or unleveraged. Typically, a leveraged *Gold/Silver ETF* attempts to magnify returns by a multiple of 200%. *Gold/Silver ETFs* may invest directly or indirectly in gold, silver, or derivatives that have gold or silver as an underlying interest.

We refer to *ETFs* that seek to replicate the performance of one or more physical commodities other than gold or silver, or of an index that tracks such performance, as *Commodity ETFs*. *Commodity ETFs* are unleveraged. *Commodity ETFs* may invest directly or indirectly in physical commodities, or *derivatives* that have physical commodities as an underlying interest.

Commodity prices can fluctuate significantly in short time periods. A fund exposed to commodities may, therefore, experience *volatility* in its 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 concentrate their investments by:

- Investing in relatively few companies.
- Investing in a particular industry or geographic region.
- Holding more than 10% of their net assets in securities of a single issuer.

A relatively high concentration of assets in, or exposure to, a particular industry, geographic region, single issuer or a

## What is a mutual fund and what are the risks of investing in a mutual fund? (*continued*)

small number of issuers may reduce the *diversification* of a mutual fund, and may result in increased *volatility* in the mutual fund's net asset value. Issuer concentration may also increase the illiquidity of the mutual fund's portfolio if there is a shortage of buyers willing to purchase those securities.

### **Credit risk**

Credit risk is the risk that the issuer of a *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. However, these credit ratings may not accurately reflect the true risk of the issuer.

The market value of *fixed income securities* can be affected by adverse news, or a downgrade in the security's rating. Other factors can also affect the market value of the security, such as a change in the creditworthiness, or perceived creditworthiness, of the security's issuer.

*Fixed income securities* that have a low credit rating, or which are unrated, are known as *high yield securities*. *High yield securities* typically:

- Offer a higher yield than securities with a high credit rating.
- Have a higher potential for loss than *fixed income securities* issued by financially stable and solvent issuers.
- Are more likely to go into default on interest and principal payments than securities with a higher credit rating.
- Are less *liquid* in times of market declines.

Certain types of *fixed income securities*, such as *floating rate debt instruments*, may be backed by specific assets that are pledged by the issuer in the event of a default, including non-payment. However, there is a risk that:

- The value of the pledged collateral declines, or is insufficient to meet the obligations of the borrower to all investors or lenders.

- Investors or lenders may incur legal costs, be subject to lengthy delays, or be unable to fully recoup the principal amount and/or lost interest in the event of the issuer's default.

These and other factors may result in losses to mutual funds that hold these types of securities.

### **Currency risk**

Currency risk, sometimes referred to as exchange rate risk, is the risk that the value of an investment held by a mutual fund is affected by changes in the value of the currency in which the investment is denominated. Movements in exchange rates can affect the day-to-day value of a mutual fund, especially if it holds a lot of foreign investments.

A mutual fund that buys and sells securities in currencies other than the Canadian dollar can make money when the value of the Canadian dollar decreases relative to the foreign currency, and can lose money when the value of the Canadian dollar rises compared with the foreign currency. These gains and losses occur when the fund converts its Canadian dollars to the foreign currency in order to buy a security, and when it converts the foreign currency back into Canadian dollars when it sells the security. If, for example, the value of the Canadian dollar has risen, but the market value of the investment has stayed the same, the investment is worth less in Canadian dollars when it's sold.

Funds that invest in securities issued in currencies other than the Canadian dollar may use the U.S. dollar as their primary working currency instead of the Canadian dollar. This means that the cash received by the mutual fund, including Canadian dollars received from purchases by investors and the proceeds of settled trades, is converted into U.S. dollars every day. In addition, U.S. dollars are converted back into Canadian dollars to fund redemptions. A U.S. dollar working currency is generally used by Funds that invest:

- Primarily in U.S. dollar-denominated securities, since it helps to reduce currency transactions associated with the mutual fund's investment activities in these securities.
- All or a substantial portion of their assets in securities denominated in foreign currencies other than the U.S.

dollar, since the U.S. dollar is typically *liquid*, and may be more efficiently traded than other currencies.

While we believe there are benefits to the Funds that use the U.S. dollar as their working currency, there is no assurance that this strategy is effective, and it is possible that costs incurred by these Funds for foreign exchange transactions may exceed the benefits.

Some of the Funds may use *derivatives*, such as options, futures contracts, forward contracts, swaps, and customized types of *derivatives*, to reduce the effect of changes in exchange rates.

### **Cyber security risk**

Cyber security risk is the risk of harm, loss, and liability resulting from a failure or breach of an organization's information technology systems.

In general, cyber security risk can result from deliberate attacks or unintentional events, and may arise from external or internal sources. Cyber attacks include gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, equipment or systems, or causing operational disruption. Cyber attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users).

Cyber security risk has the ability to negatively impact the Funds and the securityholders of the Funds by, among other things, disrupting and impacting business operations, interfering with a Fund's ability to calculate its net asset value, impeding trading by or in the Funds, or causing violations of applicable privacy and other laws.

While Fidelity has established business continuity plans and risk management systems to address cyber security risk, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified. Furthermore, although Fidelity has vendor oversight policies and procedures, a Fund cannot control the cyber security plans and systems put in place by its service providers, or any other third party whose operations

may affect the Fund or its securityholders. The Fund and its securityholders could be negatively impacted as a result.

### **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 the underlying interest, such as 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 impact the value of the option. It's called an option because the holder has the option of exercising the 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 and/or interest an investor receives goes up or down depending on whether there is an

## What is a mutual fund and what are the risks of investing in a mutual fund? (*continued*)

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 risks:

- There's no guarantee that a mutual fund is 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 to the contract, referred to as a *counterparty*, lives 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* at all times accurately reflects the value of the underlying interest.
  - If the *counterparty* goes bankrupt, the mutual fund could lose any deposit that was made as part of the contract.
  - If the *derivatives* are traded on foreign markets, it may be more difficult and take longer to complete the transaction. Foreign *derivatives* can also be riskier 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, to make a profit, or to 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.
- A *derivative* doesn'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 mutual 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.

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 currency 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 always works.

### **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. For example, they're affected by general economic and market conditions, interest rates, political developments, and changes in the companies that issue them. 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 also likely to fall. 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*.

### **Exchange-traded fund (ETF) risk**

A mutual fund may invest in an *underlying fund* whose securities are listed for trading on an exchange. These *underlying funds* are called *ETFs*. The investments held by *ETFs* may include stocks, bonds, commodities, and other financial instruments. Some *ETFs* attempt to replicate the performance of a widely-quoted market index. However, not all *ETFs* track an index. While an investment in an *ETF* generally presents similar risks as an investment in an open-ended, actively managed mutual fund that has the

same investment objectives and strategies, it also carries the following additional risks, which do not apply to an investment in an open-ended, actively managed mutual fund:

- The performance of an *ETF* may be different from the performance of any index, commodity, or financial measure that the *ETF* may seek to track. There are several reasons that this might occur, including transaction costs and other expenses that are borne by the *ETF*, the *ETF*'s securities may trade at a premium or a discount to their net asset value, or the *ETF* may employ complex strategies, such as leverage, making accurate tracking difficult.
- The ability of a mutual fund to realize the full value of its investment in an underlying *ETF* depends on the mutual fund's ability to sell the *ETF*'s securities on a securities market. The mutual fund may receive less than the *ETF*'s net asset value per security on such sale, as the *ETF*'s securities may not trade at prices that reflect their net asset value.
- There is no guarantee that any particular *ETF* is available at any time. An *ETF* may be newly or recently organized, with limited or no previous operating history, and an active trading market for an *ETF*'s securities may fail to develop or be maintained. In addition, an *ETF* may not continue to meet the listing requirements of the exchange on which its securities are listed for trading.
- Commissions may apply to the purchase or sale of an *ETF*'s securities by a mutual fund.

### **Foreign investment risk**

There are some significant reasons to consider investing abroad. The economies of foreign countries may grow faster than Canada's economy. This can mean that investments in those countries may also grow more quickly. Foreign investments give you *diversification*, because all your money isn't invested in Canada.

In addition to currency risk discussed above, foreign investments have other risks, including:

- Not all countries are as well regulated as Canada, or have the same consistent and reliable accounting, auditing, and financial reporting standards. Some countries may have lower standards of business practices and tax 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. Foreign investments could suffer as a result.
- A small number of companies could make up a large part of the foreign 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 the ability to get money out of the country, or they may devalue their currency.
- Riots, civil unrest or wars, or unstable governments in some countries could hurt investments.
- Foreign countries may experience relatively high inflation, and high interest rates.

It's sometimes hard to enforce the mutual fund's legal rights in another country.

For *fixed income securities* bought on foreign markets, including some government bonds, there's a risk that the issuer doesn't pay off the debt, or that the price of the securities drops rapidly.

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

### **Interest rate risk**

Interest rates impact the cost of borrowing for governments, companies, and individuals, which, in turn, impacts overall economic activity, and a wide range of investments. Lower interest rates tend to stimulate economic growth, whereas high interest rates tend to do the opposite.

## What is a mutual fund and what are the risks of investing in a mutual fund? (*continued*)

When interest rates rise, *fixed income securities*, like treasury bills and bonds, tend to fall in price. On the other hand, these securities tend to rise in price when interest rates fall. The cash flow from *fixed income securities* with variable rates can change as interest rates fluctuate. Longer-term bonds and strip bonds are generally more sensitive to changes in interest rates than other kinds of securities.

When interest rates fall, the issuers of many kinds of *fixed income securities* may repay the principal before the security matures. This is called making a prepayment. This is a risk because if a *fixed income security* is paid off sooner than expected, the mutual fund may have to reinvest its 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.

Changing interest rates can also indirectly impact the share prices of equity securities. When interest rates are high, it may cost a company more to fund its operations, or to pay down existing debt. This can impair a company's profitability and earnings growth potential, which can negatively impact its share price, making the company less attractive to potential investors. Conversely, lower interest rates can make financing for a company less expensive, which can potentially increase its earnings growth potential. Interest rates can also impact the demand for goods and services that a company provides by impacting overall economic activity.

### **Large transaction risk**

Other investment products, such as segregated funds offered by insurance companies and other investment funds, may invest in a mutual fund. There is a risk that these investments may become large, resulting in large purchases and redemptions of Securities of the fund. Other investors may also purchase large amounts of a fund. Large purchases and redemptions may result in:

- A fund maintaining an abnormally high cash balance.
- Large sales of portfolio securities, impacting market value.
- Increased transaction costs (e.g., commissions).

- Capital gains being realized, which may increase taxable distributions to investors.

If this should occur, the returns of investors, including other funds, that invest in the fund may also be adversely affected.

Tax loss restriction rules, referred to as *LREs*, apply to a Trust Fund when an investor (counted together with affiliates) becomes the holder of units worth more than 50% of the Trust Fund. This could happen when an investor or its affiliates acquire units, or when another investor redeems units. Each time the *LREs* apply to a Trust Fund, securityholders may automatically receive an unscheduled distribution of income and/or capital gain. These distributions must be included in the securityholders' income for tax purposes. Also, future distributions paid by the Trust Fund may be larger than they otherwise would have been due to the restriction on the deduction of prior losses. For more information regarding the taxation of distributions, see the ***Income tax considerations for investors*** section.

### **Liquidity risk**

Liquidity of your investment means how quickly and easily you can sell your Securities for cash. This is also true for the securities held in a mutual fund. Most securities held in a mutual funds are *liquid*, but there are some investments that cannot be sold easily or quickly. These are considered to be illiquid.

Securities can be illiquid for a number of reasons, including:

- Legal rules may restrict the ability to sell them.
- The securities might have features that make them difficult to sell.
- There may be shortage of buyers.
- The securities might suddenly become illiquid because of sudden changes in the market.
- An individual security's liquidity may simply change over time.

There are some types of securities that may be more illiquid when markets are volatile, or there is a sharp market decline. These include high yield bonds, *floating rate debt*

*instruments* or loans, senior secured debt obligations, *convertible securities*, high yield commercial mortgage-backed securities, and *fixed income securities* issued by corporations and governments in emerging countries.

If these types of securities become illiquid, then there could be fewer buyers for the securities, the bid/ask spread might be wider, trade settlement and delivery of the securities to the mutual fund could take longer than normal, and it may be difficult to obtain a price for the securities. If a mutual fund has trouble selling a security, the fund could lose money, and the value of an investment in the fund could decline.

### **Portfolio management risk**

All actively managed mutual funds are dependent on their portfolio management team to select investments. A poor security selection or market allocation may cause a mutual fund to underperform relative to its benchmark or other mutual funds with similar investment objectives.

### **Repurchase transactions, reverse repurchase transactions and securities lending risk**

Sometimes mutual 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 another 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. In each case, 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 sold or loaned 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 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.

### **Series and class risk**

The Funds are available in up to twenty-six series of Securities. The series available for each Fund are set out on the cover page of this simplified prospectus. See the section ***Specific information about each of the mutual funds described in this document*** for the features of each series and who can purchase them.

If a Fund can't pay the expenses of one series using that series' proportionate share of the Fund's assets, the Fund is required to pay those expenses out of the other series' proportionate share of the Fund's assets. This could lower the investment returns of the other series. No expenses are charged to the Funds for any Series O Securities that they issue.

The Class Funds are offered as a class of shares of the Corporation. In addition to the Class Funds, the Corporation also offers other funds, in multiple series, as classes of shares of the Corporation. These other Corporate Funds are offered under a separate simplified prospectus. The Class Funds sell shares and use the proceeds to invest either in other Fidelity Funds or in a portfolio of securities. However, because the Class Funds are part of a single corporation, the Corporation as a whole is liable for the Class Funds' expenses, as well as the expenses of the other Corporate Funds. If the Corporation can't pay the expenses of one class of shares using its proportionate

## What is a mutual fund and what are the risks of investing in a mutual fund? *(continued)*

share of the Corporation's assets, the Corporation is required to pay those expenses out of the other classes' proportionate share of the Corporation's assets. This could lower the investment returns of the other classes.

The Funds may, without notice to securityholders and without securityholder approval, issue additional series.

Some of the Funds and certain series of the Funds, such as the *T-SWP® Series*, are designed to provide a monthly cash flow to investors. Where this cash flow exceeds a Fund's net income, it includes a return of capital. When a Fund returns capital to an investor, the Fund returns a portion of the money that the investor originally invested in the Fund, rather than returns or income generated by the investment. A return of capital reduces the net asset value of the series on which it is paid and, if paid in cash, also reduces the assets the investor has invested in the Fund. As well, a return of capital reduces the total assets of the Fund available for investment, which may reduce the ability of the Fund to generate future income.

### **Short selling risk**

A *short sale* is where a mutual fund borrows securities from a borrowing agent (generally a custodian or *dealer*) and then sells the borrowed securities in the open market. At a later date, the same number and type of securities are repurchased by the fund and returned to the borrowing agent. In the interim, the proceeds from the first sale are deposited with the borrowing agent and the fund pays interest to the borrowing agent. If the value of the securities declines between the time that the fund borrows the securities and the time that it repurchases and returns the securities, the fund makes a profit for the difference (less any interest the fund must pay to the borrowing agent).

Short selling strategies can provide a mutual fund with an opportunity to manage *volatility* and enhance performance in declining or volatile markets. Short selling securities involves risk, because there is no assurance that securities will sufficiently decline in value during the period of the short sale to offset the interest paid by the fund, and thereby make a profit for the fund. Securities sold short may instead increase in value, resulting in a loss to the fund. The fund may also experience difficulties repurchasing and returning the borrowed securities. The borrowing agent

from whom the fund has borrowed securities may go bankrupt, and the fund may lose the collateral it has deposited with the borrowing agent.

Short selling by the Funds complies with the laws of Canadian securities regulatory authorities. Compliance with regulatory rules is monitored on a daily basis.

### **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 that 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 management team focus on specific industries or geographic areas, which can boost returns if the industry or geographic area, and the companies selected, prosper. But if the industry or geographic area has a slump, the mutual fund may suffer, because there are relatively few other investments to offset the downturn. The mutual fund must follow its investment objectives and continue to invest in securities in the industry or geographic area, whether it is growing or not. Additionally, if a specific investment approach used by a mutual fund, such as value or growth, is out of favour, the mutual fund could suffer if it is obliged to confine its investments to the specific investment approach.

# Organization and management of the Funds

The following information 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.

As at February 28, 2018, Fidelity managed more than \$134 (CAD) billion for its clients. We are part of a group of companies known as Fidelity Investments®. 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 at February 28, 2018 the Fidelity Investments group managed more than \$2.5 trillion (USD) through mutual fund portfolios and other institutional accounts around the world.

## Trustee

Fidelity Investments Canada ULC  
Toronto, Ontario

The Trust Funds are mutual funds organized as trusts. As trustee, we hold title to each Trust Fund's investments in trust for securityholders under the terms described in a declaration of trust.

## Independent Review Committee

The *IRC* is the fund governance agency for the Fidelity Funds, as contemplated by *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 auditor 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 merger or change of auditor that affects the Funds that you own.

The *IRC* prepares, at least annually, a report for securityholders of its activities. This report is available on our website at [www.fidelity.ca](http://www.fidelity.ca), or you may request a copy, at no cost, by sending us an email at [cs.english@fidelity.com](mailto:cs.english@fidelity.com) (for assistance in English) or [sc.francais@fidelity.com](mailto:sc.francais@fidelity.com) (for assistance in French).

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

## Custodian

State Street Trust Company Canada  
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.

## Securities Lending Agent

State Street Bank and Trust Company  
Boston, Massachusetts

The securities lending agent acts as agent for those Funds that engage in securities lending. The securities lending agent 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 professional accounting firm and it audits the annual financial statements of each Fund.

## Organization and management of the Funds *(continued)*

### Portfolio adviser

Fidelity Investments Canada ULC  
Toronto, Ontario

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

### Sub-Advisers

FMR Co., Inc.  
Boston, Massachusetts  
(FMRCo)  
Fidelity Founders Investment Trust; and  
Fidelity ClearPath® 2060 Portfolio

FMR Investment Management (UK) Limited  
London, U.K.  
(FMR IM UK)  
Fidelity Emerging Markets Local Currency Debt Investment  
Trust

State Street Global Advisors Ltd.  
Montreal, Quebec  
(SSgA)

The portfolio adviser may engage one or more sub-advisers to provide investment advice in connection with securities purchased for a Fund.

SSgA provides investment services in connection with the management of passive currency *hedging* for Fidelity Founders Currency Neutral Class.

There may be difficulty in enforcing legal rights against FMRCo and FMR IM UK because they are resident, and substantially all of their assets are located, outside of Canada.

Certain of the Fidelity Funds, which we refer to as *Top Funds*, may invest some or all of their assets in underlying Fidelity Funds. Because such underlying Fidelity Funds are also managed by Fidelity, Fidelity does not vote the Securities of the underlying Fidelity 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 asks each Top Fund investor for instructions on how to vote that investor's proportionate share of the underlying Fidelity Fund Securities owned by the Top Fund, and Fidelity then votes on that basis. In those circumstances, Fidelity only votes the proportion of the underlying Fidelity Fund Securities for which it has received instructions.

# Purchases, switches and redemptions

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 costs 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 twenty-six series of securities, as specified on the cover page and as set out in each Fund's profile. The differences between the series are described in the section ***Specific information about each of the mutual funds described in this document***.

Series A, B, S5, S8, T5 and T8 Securities of the Funds are available to all investors.

Series E and P Securities are offered under the *Fidelity Preferred Program*.

Investors cannot make an initial direct purchase into any of Series E Securities. Series E Securities are offered under the *Fidelity Preferred Program* and are available only to investors who hold Series B or S5 Securities and then become eligible to hold Series E Securities based on the value of their holdings in the Fidelity Funds. These Securities are available in multiple tiers according to the value of this investment. Once an investor holds Series E Securities, the investor can then buy directly additional Series E Securities of the applicable tier of the same Fund or any other Fidelity Fund. Series E Securities are not available to an investor enrolled in the *Large Account Program* unless the investor chooses to permanently leave the *Large Account Program* in order to hold Series E Securities in the *Fidelity Preferred Program*.

Series F, F5 and F8 Securities are only available to investors whose *dealers* have entered into appropriate

eligibility agreements with Fidelity. Investors may buy Series F Securities in fee-based accounts at their *dealers*, where they pay fees directly to their *dealers*. Investors may also buy Series F Securities and pay fees to their *dealers* by entering into advisor service fee agreements that authorize Fidelity to redeem Series F Securities from their accounts that have a value equal to the amount of the fees payable by them to their *dealers*, plus applicable taxes, and to pay the proceeds to their *dealers*.

Series O Securities of the Funds are only available to institutional investors who may be individuals or financial institutions who have been approved by us and have entered into series O fund purchase agreements with us.

Investors cannot make an initial direct purchase into any of the Series P Securities. Series P Securities are offered under the *Fidelity Preferred Program* and are available only to investors who hold Series F or F5 Securities and then become eligible to hold Series P Securities based on the value of their holdings in the Fidelity Funds. These Securities are available in multiple tiers according to the value of this investment. Once an investor holds Series P Securities, the investor can then buy directly additional Series P Securities of the applicable tier of the same Fund or any other Fidelity Fund. Series P Securities are not available to an investor enrolled in the *Large Account Program* unless the investor chooses to permanently leave the *Large Account Program* in order to hold Series P Securities in the *Fidelity Preferred Program*.

See the section ***Specific information about each of the mutual funds described in this document*** for more information about the series that 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 determine 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 the ***Income tax considerations for investors*** section for further details about the tax consequences of buying, redeeming or switching Securities.

## Purchases, switches and redemptions (*continued*)

### Figuring out the net asset value per Security

Here's how we calculate the 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 hold. That gives us the net asset value per Security.

To determine 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 buy, switch or redeem Securities for you on any day that the Toronto Stock Exchange, or 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 on that day. We calculate the value of a Fund's Securities on each valuation day. In order to complete your transaction, we use the first net asset value per Security that we calculate after receiving your instructions.

We aren't able to calculate the price of a series of a Fund on a valuation day if it holds an *underlying fund* and the security price of that *underlying fund* is not calculated on that valuation day.

### 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 give you 30 days to bring the value of your account up to \$500 before we redeem your Securities. The Funds and certain series of the Funds may also be subject to minimum investment amounts. These amounts are determined from time to time by us, in our sole discretion. They may also be waived by us, and are subject to change without prior notice. The current minimum initial investment amounts are set out on our website at [www.fidelity.ca](http://www.fidelity.ca).

### U.S. Dollar Option

The Funds are valued, and can be bought, in Canadian dollars. Fidelity Founders Investment Trust, Fidelity Emerging Markets Local Currency Debt Investment Trust and Fidelity Founders Class can be bought in U.S. dollars as well as Canadian dollars, as indicated in the *Fund details* section of each Fund's profile.

The Canadian dollar net asset value for Fidelity Founders Investment Trust, Fidelity Emerging Markets Local Currency Debt Investment Trust and Fidelity Founders Class is converted to U.S. dollars at the prevailing exchange rate for a valuation day in order to determine the applicable U.S. dollar net asset value. Fidelity ClearPath<sup>®</sup> 2060 Portfolio and Fidelity Founders Currency Neutral Class are not currently available for purchase in U.S. dollars. We may offer the U.S. dollar option in respect of additional Funds or series in the future.

For tax purposes, capital gains and losses are calculated in Canadian dollars. As a result, if you buy and redeem Securities under the U.S. dollar option, you need to calculate gains or losses based on the Canadian dollar value of your Securities when they were purchased and when they were sold. In addition, although distributions are made in U.S. dollars, they must be reported in Canadian dollars for Canadian tax purposes. Consequently, all investment income is reported to you in Canadian dollars for income tax purposes. You may want to consult your tax advisor regarding this.

Our U.S. dollar option is offered only as a convenience. It allows you to invest in certain Funds using your American money. If you buy your Securities in U.S. dollars, you receive U.S. dollars when you redeem them or receive distributions from the Fund. Buying your Securities in U.S. dollars does 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. If you wish to reduce your exposure to currency fluctuations, you should consider an investment in a Fidelity currency neutral fund.

### About sales charges

You may pay a commission to invest in Series A, B, E, S5, S8, T5 and T8 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 sales charge*, and the amount you pay is negotiable with your *financial advisor*. Alternatively, you can choose to wait until you redeem your Securities and pay a percentage of their original cost to us at that time. This is called a *deferred sales charge*.

Series A, T5 and T8 Securities are available only under a *deferred sales charge* option. Series B, E, S5 and S8 Securities are available only under the *initial sales charge* option.

You don't pay any sales charges if you invest in Series F, F5, F8, O or P Securities, which are only available to certain investors.

#### *Paying when you buy your Securities*

If you buy 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* need to negotiate the level of the *initial sales charge*. See the **Fees and expenses** section for details. We may deduct the percentage from the amount you invest and pay it to your *financial advisor's dealer*. See the **Dealer compensation** section for details.

#### *Paying when you redeem your Securities*

If you choose to buy Securities under the *deferred sales charge* option, we arrange for a commission payment to your *dealer* at the time that you buy your Securities. See the **Dealer compensation** section 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 put off paying it. The charge gets lower the longer you hold your Securities. Under the *deferred sales charge* option, the charge declines to 0% after six years, under the low load *deferred sales charge* option, the charge declines to 0% during the third year, and under the low load 2 *deferred sales charge* option, the charge declines to 0% during the fourth year.

You can find the schedules for these *deferred sales charge* options in the **Fees and expenses** section.

You do 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 distributions.

#### *Switching your deferred sales charge Securities*

If you purchase Series A, T5 or T8 Securities under a *deferred sales charge* option, or if you buy them under your Fidelity ClearPlan® Custom Fund Portfolios program, you may elect to have your Securities switched to Series B, S5 or S8 Securities, respectively, which have lower management fees, at any time after your *deferred sales charge* 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, you can make this election starting two years after the time of purchase, and for low load 2 *deferred sales charge* Securities, you can make this election starting three years after the time of purchase.

Alternatively, if you purchase Series A, T5 or T8 Securities under a *deferred sales charge* option, or if you buy them under your Fidelity ClearPlan® Custom Fund Portfolios program, your Securities are automatically switched to Series B, S5 or 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 are switched seven years after the time of purchase. For low load *deferred sales charge* Securities, your Securities are switched three years after the time of purchase, and for low load 2 *deferred sales charge* Securities, your Securities are switched four years after the time of purchase. These automatic switches are not implemented if the value of the Securities to be switched is less than five dollars, but are implemented once the value of the Securities to be switched is five dollars or more.

## Purchases, switches and redemptions (*continued*)

See the schedules for these *deferred sales charge* options in the **Fees and expenses** section.

### *10% free amount*

Every calendar year, you can redeem up to 10% of the original cost of your Series A, T5 or T8 Securities that would otherwise be subject to the *deferred sales charge* at no charge. You can also switch these Securities to Series B, S5 or 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 reduce your original cost (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 distribution in cash or redeemed Securities you received from reinvested distributions) you can redeem \$900 (i.e., 10% of \$9,000) without paying a *deferred sales charge*. You can use up your 10% free amount for a year 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 year, we may reduce your 10% free amount by that excess 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 use up some of your 10% free amount if you:

- Choose to receive distributions in cash. We reduce your 10% free amount by the amount of the distribution.
- Redeem Securities you received from reinvested distributions. We reduce your 10% free amount by the

value of these Securities at the time they are reinvested.

If you switch Securities of one Fund to another Fidelity Fund, we transfer the 10% free amount on the original Securities you held to the new Securities that you acquire.

### *Order of redemptions*

We follow the principles listed below to reduce your redemption charges for Securities purchased under the *deferred sales charge* option:

- First, we redeem any of your 10% free amount that is available (this reduces the amount of Securities you receive from reinvested distributions that are available for redemption).
- Then, we redeem the remaining Securities you received from reinvested distributions.
- Next, Securities held for the longest time period are redeemed first, and Securities held for the shortest time period are redeemed last.

Receiving your distributions in cash or redeeming reinvested distributions reduces your 10% free amount for the year.

Since the 10% free amount is not available for the low load *deferred sales charge* option and the low load 2 *deferred sales charge* option, we first redeem the Securities you received from reinvested distributions, and then Securities held for the longest time period are redeemed first and Securities held for the shortest time period are redeemed last.

## How to buy Funds

If we receive your order before 4 p.m. Toronto time on a valuation day (which is any day that the TSX is open for trading), we process your order as of that valuation day and you pay the net asset value per Security calculated on that valuation day for the Securities that you buy. Otherwise, we process your order as of the next valuation day. If the TSX closes earlier than 4 p.m. on a valuation day, we may impose an earlier deadline for that valuation day. Any order received after this earlier deadline is processed as of the next valuation day. For more information on how we calculate the net asset value per Security on a valuation day, see **Figuring out net asset value per Security** earlier in this section.

You have to pay for your Securities when you buy them. We do not accept cash, money orders or traveller's cheques for the purchase of Securities. If we don't receive payment in full within two business days of receiving your order, we 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, Sunday or a Canadian holiday. If we redeem the Securities for more than you paid, the Fund keeps the difference. If we redeem the Securities for less than you paid, we charge your *dealer* for the difference, plus any costs. Your *dealer* may be entitled to recover any loss from you.

If we receive your payment, but the documentation in respect of your purchase for a Fidelity registered plan is incomplete or missing instructions, we may invest your money in Series B Securities of Fidelity Canadian Money Market Fund (which are offered under a separate simplified prospectus) at no sales charge. An investment in Fidelity Canadian Money Market Fund earns you daily interest until we receive complete instructions from you regarding which Fund(s) you have selected, and all documentation in respect of your purchase is received in good order. Your total investment, including any interest, is then switched into the Fund(s) you chose under the sales charge option that you selected at the Security price of the Fund(s) on the date of the switch.

## What else you need to know

Here are some other important facts about buying the Funds:

- You receive a confirmation once we process your purchase. The confirmation is a record of your purchase, and includes details about the Securities that you bought and any commission that you paid.
- If you buy Securities through our pre-authorized chequing plan, you receive a confirmation for your first purchase. After that, you receive regular account statements.
- You do not receive a confirmation when your Series A, T5 or T8 *deferred sales charge* Securities are automatically switched to Series B, S5 or S8 *initial sales charge* Securities.
- Securities purchased under a *deferred sales charge* option cannot be switched for Securities under a different *deferred sales charge* option. For example, Securities purchased under the low load *deferred sales charge* option cannot be switched for Securities 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 return your money to you.
- Investors cannot make an initial direct purchase into Series E or P Securities of a Fund. Series E Securities are available only to investors who hold Series B or S5 Securities and then become eligible for Series E Securities. Series P Securities are available only to investors who hold Series F or F5 Securities and then become eligible for Series P Securities. Once an investor holds Series E or P Securities, the investor can buy directly the applicable tier of Series E or P Securities of the same Fund or any other Fidelity Fund.
- We may require investors who are U.S. citizens or foreign investors to redeem their Securities if their participation has the potential to cause regulatory or tax problems. We may be required to withhold taxes on

## Purchases, switches and redemptions (*continued*)

distributions and/or redemption proceeds paid to U.S. citizens or foreign investors. Speak with your *financial advisor* for details.

- We don't accept orders to buy Securities during a period when we've suspended securityholders' right to redeem Securities. See ***Suspending your right to redeem Securities*** later in this section.

### Switching to another series of the same Fund

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

#### Switching Series A Securities

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

You can also switch to Series B, F, F5, F8, S5 or S8 Securities provided that your redemption fee schedule has expired. See ***Switching your deferred sales charge Securities*** in this section for details.

You can only switch to Series F, F5 or F8 Securities if you're eligible for these series or to Series O Securities with our approval.

#### Switching Series B Securities

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

You can only switch to Series F, F5 or F8 Securities if you're eligible for these series or to Series O Securities with our approval.

#### Switching Series E and P Securities

Provided your *dealer* enters into the appropriate *Fidelity Preferred Program* eligibility agreement with Fidelity and

can support Series E or P Securities, we automatically switch your:

- Series B and S5 Securities to the appropriate tier of the applicable Series E Securities.
- Series F and F5 Securities into the appropriate tier of the applicable Series P Securities.

We do these automatic switches as part of the *Fidelity Preferred Program* when your holdings in Fidelity Funds exceed \$250,000 for an individual or \$500,000 for a Series E/P financial group. See the ***Fees and expenses*** section for details. If you hold Securities of a Fund for which the appropriate tier of Series E or P Securities is not available, your Securities are switched into the tier with the lowest combined management and advisory and *Administration Fee* that is available for that Fund.

Switches between Series E or P tiers are also automatic, so an investor is always in the Series E or P tier with the lowest combined management and advisory fees and *Administration Fees* that the investor is eligible for, provided a Fund offers that tier. The following table sets out the investment thresholds for each tier.

Series	Tier
E1, E1T5, P1 or P1T5	\$250,000 - \$999,999
E2, E2T5, P2 or P2T5	\$1,000,000 - \$2,499,999
E3, E3T5, P3 or P3T5	\$2,500,000 - \$4,999,999
E4, E4T5, P4 or P4T5	\$5,000,000 - \$9,999,999
E5, E5T5, P5 or P5T5	\$10,000,000+

Not all Series E and P tiers are currently available for each Fund. Additional Series E and P tiers may be made available from time to time. The series currently available for each Fund are set out in the Fund's profile.

Automatic switches generally take place in the following circumstances:

- When you purchase or redeem Fidelity Fund securities that move you into, among, or out of Series E or P tiers.

- When we launch Series E or P Securities of a Fidelity Fund for which you are eligible.
- When your Series E/P financial group is created or changes in a way that moves you into, among, or out of Series E or P tiers.

In addition, Fidelity automatically switches your Securities on the second Friday of each month if positive market movement has moved you into or among Series E or P tiers and your Securities have not been automatically switched by any of the other circumstances described above.

You can switch from Series E and P Securities to Series B, F, S5, S8, F5, F8 or O Securities of the same Fund. You may have to pay a fee to your *dealer*. You negotiate that fee with your *financial advisor*. See the **Fees and expenses** section for details.

You can only switch your Series E Securities to Series F, F5 or F8 Securities if you're eligible for these series or to Series O Securities with our approval.

#### **Switching Series F Securities**

You can switch from Series F Securities to Series B, F5, F8, S5, S8 or O Securities of the same Fund. You may have to pay a fee to your *dealer*. You negotiate that fee with your *financial advisor*. See the **Fees and expenses** section for details.

You can only switch to Series O Securities with our approval. No fee is payable for this switch.

#### **Switching Series F5 Securities**

You can switch from Series F5 Securities to Series B, F, F8, O, S5 or S8 Securities of the same Fund. You may have to pay a fee to your *dealer*. You negotiate that fee with your *financial advisor*. See the **Fees and expenses** section for details.

You can only switch to Series O Securities with our approval. No fee is payable for this switch.

#### **Switching Series F8 Securities**

You can switch from Series F8 Securities to Series B, F, F5, O, S5 or S8 Securities of the same Fund. You may have to pay a fee to your *dealer*. You negotiate that fee with

your *financial advisor*. See the **Fees and expenses** section for details.

You can only switch to Series O Securities with our approval. No fee is payable for this switch.

#### **Switching Series O Securities**

You can switch from Series O Securities to Series A, B, F, F5, F8, S5, S8, T5 or T8 Securities of the same Fund. You may have to pay a fee to your *dealer*. You negotiate that fee with your *financial advisor*. See the **Fees and expenses** section for details.

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

#### **Switching Series S5 Securities**

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

You can only switch to Series F, F5 or F8 Securities if you're eligible for these series or to Series O Securities with our approval.

#### **Switching Series S8 Securities**

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

You can only switch to Series F, F5 or F8 Securities if you're eligible for these series or to Series O Securities with our approval.

#### **Switching Series T5 Securities**

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

## Purchases, switches and redemptions (*continued*)

You can also switch to Series B, F, F5, F8, S5 or S8 Securities provided that your redemption fee schedule has expired. See **Switching your deferred sales charge Securities** in this section for details.

You can only switch to Series F, F5 or F8 Securities if you're eligible for these series or to Series O Securities with our approval.

### Switching Series T8 Securities

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

You can also switch to Series B, F, F5, F8, S5 or S8 Securities provided your redemption fee schedule has expired. See **Switching your deferred sales charge Securities** in this section for details.

You can only switch to Series F, F5 or F8 Securities if you're eligible for these series or to Series O Securities with our approval.

### What else you need to know

Switches of Securities of a Fund from one series to another series of the same Fund do not result in a disposition for tax purposes, unless Securities are redeemed to pay fees. The amount of your investment, less any fee that is 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 Security price.

## Switching Securities to another Fidelity Fund

You can switch Securities of a Fund for Securities of another Fidelity Fund by redeeming Securities of the Fund and using the proceeds to buy Securities of the other Fidelity Fund.

You may have to pay your *dealer* a switch fee. You negotiate that fee with your *financial advisor*. A short-term trading fee may also be payable. See the **Fees and expenses** section for details.

The switch is done on the same sales charge option basis that the original Securities were bought under. If you bought Securities of the original Fund under a *deferred sales charge* option, you don't pay a *deferred sales charge* when you do the switch. If you redeem Securities of the second Fidelity Fund later on, you pay a *deferred sales charge* based on the date when you bought Securities of the first Fund. See the **Dealer compensation** section for details.

If you hold Series E or P Securities of a Fund as part of the *Fidelity Preferred Program* and switch into a Fund that does not offer an equivalent Series E or P tier, your Securities are switched to the Series E or P tier with the lowest combined management and advisory fees and *Administration Fee* that is available for that Fund. If no Series E Securities are offered by the Fund that you are switching into, you are switched to Series B or S5 Securities, as applicable. If no Series P Securities are offered by the Fund that you are switching into, you are switched to Series F or F5 Securities, as applicable. If a tier of Series E or P Securities with lower combined management and advisory fees and *Administration Fees* for which you are eligible is launched by the Fund at a later date, your Series E or P Securities will be automatically switched to that more appropriate tier.

Switching Securities of a Fund for Securities of another Fidelity Fund, including another Fund, is a disposition and acquisition for tax purposes and may trigger a capital gain or loss. Any capital gain realized on Securities you hold outside a registered plan may be subject to tax. For more information about how capital gains are taxed, see the **Income tax considerations for investors** section.

## How to redeem the Funds

You can cash in your Fund by selling your Securities back to the Fund. This is called a redemption. You receive the net asset value per Security calculated on the valuation day we receive your order to redeem your Securities. We 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 for \$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 process your order as of that valuation day. Otherwise, we process your order as of the next valuation day. If the TSX closes earlier than 4 p.m. on a valuation day, we may impose an earlier deadline for that valuation day. Any order received after this earlier deadline is processed as of the next valuation day. See **Figuring out the net asset value per Security** in this section for more information on how we calculate the net asset value per unit on a valuation day. You receive your money back in the same currency you used to buy the Fund. We may charge you a fee of up to \$25 if you request your money back by cheque. There is no fee for electronic deposits.

We don't process orders to redeem for:

- A past date.
- A future date.
- A specific price.
- Any Securities that haven't been paid for.

We send you your money within two business days of receiving your order, as long as your order is complete. For Securities denominated in U.S. dollars, if the settlement day is a U.S. holiday, we 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 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 keeps the difference. If we buy them back for more than you sold them for, we charge your *dealer* for the difference, plus any costs. Your *dealer* may be entitled to recover any loss from you.

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 **Fees and expenses** section for details.

Where the holding of Securities by a securityholder is, in the reasonable opinion of Fidelity, detrimental to a Fund,

Fidelity is entitled to redeem the Securities held by the securityholder. Redeeming Securities of a Fund, is a disposition for tax purposes and may trigger a capital gain or capital loss. Any capital gain realized on Securities you hold outside a registered plan may be subject to tax. For more information about how capital gains are taxed, see the **Income tax considerations for investors** section.

## 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 receive permission from the Ontario Securities Commission.
- If the right to redeem units of an *underlying fund* is suspended, we automatically suspend the redemption of Securities of any Fund that is linked to that *underlying fund*.

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.

## Short-term trading

In general, the Funds are considered long-term investments. Inappropriate short-term or excessive trading can hurt a Fund's performance by forcing the portfolio management team to keep more cash in the Fund than would otherwise be needed, or to sell investments at an inappropriate time, and may also increase the Fund's transaction costs, affecting all investors of that Fund.

## Purchases, switches and redemptions (*continued*)

Fidelity has adopted policies and procedures to monitor, detect, and deter short-term or excessive trading. These policies and procedures are designed to protect securityholders from other investors moving quickly in and out of the Funds. A short-term trading fee may be charged to deter individuals from using the Funds as short-term investment vehicles. See the ***Fees and expenses*** section for details.

Short-term trading fees are paid to the Fund affected, and are in addition to any 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 that the short-term trading fee don't apply to include:

- If you redeem or switch Securities purchased by reinvesting distributions.
- Switches to different series within the same Fund, including when you are automatically switched into, among, or out of Series E or P tiers.
- Securities sold as part of a fund-of-fund program or a similar pooled investment program.
- Securities sold for retirement income fund or life income fund payments.
- Securities sold for systematic transactions, such as automatic exchanges, pre-authorized chequing plans, and systematic withdrawal programs.
- Currency exchange transactions.
- Securities sold to pay management fees, *Administration Fees*, service fees, operating expenses, or *Fund Costs*.
- Securities sold as part of the Fidelity ClearPlan® Custom Fund Portfolios program.
- Payments made as a result of the death of the securityholder.

In addition, Fidelity may consider the following when determining whether a short-term trade or excessive trade is inappropriate or excessive:

- Bona fide changes in securityholder circumstances or intentions.

- Unanticipated financial emergencies.

While we actively take steps to monitor, detect, and deter short-term or excessive trading, we cannot ensure that all such activity is completely eliminated.

### Sizable transactions

In general, sizable transactions by certain investors can disadvantage other investors in a Fund. Fidelity has adopted policies and procedures to help minimize the potential impact of sizable purchases and redemptions by an investor on a Fund's other securityholders.

A retail investor will be deemed to become a sizable investor (a "Sizable Investor") under the policies and procedures when a purchase/switch into a Fund will cause the investor to own:

- More than \$5 million where the Fund's total net assets are less than \$100 million; or
- More than 5% of the Fund where the Fund's total net assets are equal to or greater than \$100 million.

We will notify you once you become a Sizable Investor in a Fund.

If you are a Sizable Investor, you will be required to provide notice to Fidelity of sizable redemptions as follows:

- Three business days' notice for redemptions constituting 3% or greater, but less than 10% of the Fund's total net assets; and
- Five business days' notice for redemptions constituting 10% or greater of the Fund's total net assets.

Sizable Investors of a Fund are subject to a 1% penalty of the value of the Securities that they sell/switch if they sell/switch their Securities of the Fund within 30 days of their most recent purchase/switch into the Fund. Sizable investors *may* be subject to a 1% penalty of the value of the Securities if they fail to provide the required notice to Fidelity prior to completing a sizable redemption. This fee goes to the Fund.

If the sell/switch transaction would be subject to both a sizable redemption fee and a short-term trading fee, the Sizable Investor will only be subject to the sizable redemption fee. For greater certainty, the total penalty

applied will not exceed 1% of the value of the Securities sold/switched.

Where a Fund invests substantially all of its assets in one underlying Fidelity Fund, we calculate the foregoing thresholds and notice periods using the total net assets of the underlying Fidelity Fund.

See **Large transaction risk** in **What is a mutual fund and what are the risks of investing in a mutual fund**, **Short-term trading fee** and **Fee for sizable redemptions** in **Fees and expenses** for further details.

# 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 withdraw the money directly from your bank account and invest it in the 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 receive a copy of the Funds' most recently filed fund facts. Thereafter, we only send you the most recently filed fund facts upon request. You can request that a copy of the most recently filed fund facts 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 at [cs.english@fidelity.com](mailto:cs.english@fidelity.com) (for assistance in English) or [sc.francais@fidelity.com](mailto:sc.francais@fidelity.com) (for assistance in French), or by asking your *financial advisor*. You can also find the most recently filed fund facts at [www.sedar.com](http://www.sedar.com) or on our website at [www.fidelity.ca](http://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?*, whether or not you have requested the most recently filed fund facts.

## 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.
- You choose when you receive your money – e.g., monthly, quarterly, or every six months. We send you a cheque or deposit the money directly into your bank account. We may charge you 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 – e.g., twice a month, monthly, every two months, quarterly, semi-annually or annually.
- You may be charged a short-term trading fee or you may have to pay your *dealer* a switch fee when you switch Securities from one Fund to another Fund. See the **Fees and expenses** section for details.

- Systematic exchanges may trigger capital gains or capital losses.

## Fidelity ClearPlan<sup>®</sup> Custom Fund Portfolios

Our Fidelity ClearPlan<sup>®</sup> Custom Fund Portfolios (“ClearPlan<sup>®</sup>”) program lets you invest in any number of Fidelity Funds (other than Fidelity ClearPath<sup>®</sup> 2060, and the other ClearPath<sup>®</sup> Retirement Portfolios which are offered under a separate simplified prospectus) 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 then rebalance your holdings from time to time, based on your chosen frequency and deviation, in order to make sure that your portfolio mix is allocated in accordance with your instructions. Rebalancing may trigger capital gains or losses.

### Program options

The ClearPlan<sup>®</sup> program has two types of rebalancing options you can choose from.

#### Fixed rebalancing option

You can choose which Fidelity Funds you want to invest in, and fix the percentages to be invested in each Fidelity Fund. We 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 Fidelity 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 five specific portfolio mixes for different points in time between the start and end dates. We 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 dollar-denominated Fidelity Funds (other than the Fidelity ClearPath<sup>®</sup> Retirement Portfolios), in all series except Series O Securities, are eligible for this program. Any Fidelity Fund where your investment is made in U.S. dollars is not eligible to be included in this service. You may also hold Fidelity Funds separate and apart from your ClearPlan<sup>®</sup> 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<sup>®</sup> portfolio, and you must complete and sign our application form made specifically for this program. By completing the application, you authorize us to monitor your ClearPlan<sup>®</sup> portfolio, and to rebalance it at intervals selected by you, which can be quarterly, semi-annually, or annually, so that your ClearPlan<sup>®</sup> 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 D, which are offered under a separate simplified prospectus. Series C units can only be purchased under a *deferred sales charge* option and Series D units can only be purchased under the *initial sales charge* option. When you enrol in the program, your investment is placed initially in units of one of these two series. The choice you make regarding whether to purchase Series C or D units of Fidelity Canadian Money Market Fund should correspond with your preferred sales charge option for the Fidelity Funds that will comprise your portfolio.

Upon activation of your rebalancing program, your Series C or D units of Fidelity Canadian Money Market Fund are automatically redeemed (at no charge), and the proceeds are allocated among the various Fidelity Funds you have elected to include in your rebalancing portfolio. Series C and D units 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

## Optional services (continued)

activated your rebalancing program within 90 days, you are 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 in the **Fees and expenses** section, are not payable for trades made 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 D units of Fidelity Canadian Money Market Fund to any other Fidelity Fund as part of your portfolio rebalancing program.

Here are some other facts about our ClearPlan® program:

- We only act on your standing trade instructions, which must be given to us by your *financial advisor*.
- Your *financial advisor* can help you with your selection of Fidelity Funds to make sure that they are suitable for you, as well as with 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 occurs at the intervals you specify, provided the market value of your holdings is between two and ten 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 *financial advisor*, then at the time of your next scheduled rebalancing, we rebalance the remaining Fidelity Funds in your portfolio and proportionately reallocate your investments among the same Fidelity Funds in your target fund allocation (which would include the Fidelity 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 by providing written instructions to us through your *financial advisor*. You may also request a manual rebalancing of your portfolio outside of the scheduled automatic rebalancing period at any time. In some cases, a manual rebalancing may trigger short-term trading fees. See the **Purchases, switches and redemptions** section for details of our short-term trading policy.

- There are no separate fees for this program. Any applicable Fidelity Fund charges 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* or on our website at [www.fidelity.ca](http://www.fidelity.ca).

## Registered plans

Registered plans receive special treatment under the *Tax Act*. A key benefit is that generally you don't pay tax on the money earned in these plans until you withdraw the money from the registered plans. Earnings withdrawn from your Tax-Free Savings Accounts are not subject to tax. In addition, contributions to a Registered Retirement Savings Plan are deductible from your taxable income, up to your allowable limit.

We offer the following Fidelity registered plans:

- Registered Retirement Savings Plan (RRSPs).
- Locked-in Retirement Accounts (LIRAs).
- Locked-in Retirement Savings Plans (LRSPs).
- Restricted Locked-in Savings Plans (RLSPs).
- Registered Retirement Income Funds (RRIFs).
- Life Income Funds (LIFs).
- Locked-in Retirement Income Funds (LRIFs).
- Prescribed Retirement Income Funds (PRIFs).
- Restricted Life Income Funds (RLIFs).
- Tax-Free Savings Accounts (TFSA).

- Registered Education Savings Plans (RESPs) (with the ability to accept supplemental grants from Saskatchewan, British Columbia and Quebec).

You can open any of these plans by investing in any of the Funds. There are no annual administration fees or fees to open, maintain, or close a plan. Contact Fidelity or your *financial advisor* for more information about these plans.

# Fees and expenses

The fees and expenses you may have to pay if you invest in the Funds are shown in each Fund's profile. You may pay less to invest in the Funds based on the amount you invest. See ***Fee reductions*** below for details.

You may have to pay some of these fees and expenses directly. The Funds pay some of these fees and expenses, which 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 used to pay expenses, like employee salaries, research costs, trailing commissions, and promotional expenses. The fees are calculated as a percentage of the net assets of each series of the Fund (except Series O Securities), and are accrued daily and paid monthly. The management and advisory fees are subject to harmonized *sales tax* and other applicable taxes, called *Sales Tax*. In some cases, Fidelity may waive its right to receive a portion of the management and advisory fees.

The annual management and advisory fees for each series of Securities of a Fund, other than Series O, is shown in each Fund's profile. We charge a negotiated management fee directly to investors in Series O Securities of the Funds (which fee is no greater than the maximum of the Series F annual management and advisory fee),

## Operating expenses

All series, except Series O

For each series of the Funds, except Series O, Fidelity pays all of the operating expenses (including for services provided by Fidelity and/or its affiliates), except for certain costs described below that we refer to as *Fund Costs*, in exchange for a fixed rate administration fee that we refer to as the *Administration Fee*. The *Administration Fee* is paid by the Funds in respect of these series. The *Administration Fee* is subject to *Sales Tax*.

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 income tax and *Sales Tax* on fees and expenses paid by the Funds.
- Portfolio transaction costs, including brokerage commissions and other securities transaction related expenses, including the costs of *derivatives* and foreign exchange transactions.
- Interest and borrowing costs.
- Any new fee related to external services that was not commonly charged in the Canadian mutual fund industry as of September 10, 2009.
- The costs of complying with any new regulatory requirement, including any new fee introduced after September 10, 2009.

Each series is responsible for its proportionate share of common *Fund Costs* in addition to expenses that it alone incurs.

The operating 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 the Funds' financial reports, simplified prospectus, fund facts, and the other investor communications that Fidelity is required to prepare to comply with applicable laws; and other expenses not otherwise included in the management and advisory fees.

The *Administration Fee* falls 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 is reduced by 0.01% (i.e., one basis point). The *Administration Fee* is calculated as a fixed annual percentage, accrued daily and payable monthly, of the net asset value of each Fund. The *Administration Fee* for each series of Securities of each Fund is shown in the Fund's profile.

The *Administration Fee* is charged in addition to the management and advisory fees, and is subject to *Sales Tax*. 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.

Fidelity may waive a portion of the *Administration Fee* that it receives from the Funds or from certain series of the Funds. As a result, the *Administration Fee* payable by each Fund or a series of a Fund may be lower than the fees shown in the Fund profiles. Fidelity may, in its sole discretion, suspend or cease to offer any waiver at any time without notice.

### *IRC fees and expenses*

As of the date of this simplified prospectus, each member of the *IRC* receives an annual retainer of \$40,000 (\$60,000 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 among all the Fidelity Funds that are subject to *NI 81-107*, including the Funds, in a manner considered by Fidelity to be fair and reasonable.

## Fees and expenses (continued)

As the Funds are new, none of the costs of the IRC have been allocated to them as of the date of this simplified prospectus.

### Series O

Fidelity pays all of the operating expenses and other costs incurred by the Funds in respect of Series O Securities (including for services provided by Fidelity and/or its affiliates), except for the following:

- Taxes, including, but not limited to, income tax.
- Brokerage commissions and other securities transaction expenses, including the costs of *derivatives* and foreign exchange transactions.
- Interest charges.

### Sales Tax paid by the Funds

The Funds are required to pay the *Sales Tax* on management and advisory fees, *administration fees*, and most of the *Fund Costs* 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 during the prior year and the *Sales Tax* rate for each of those provinces or territories. The rate is 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.

### Fee reductions

Some investors in the Funds (except the Investment Trusts), such as large investors, group plans, charitable or not-for-profit organizations, and Fidelity employees, may be eligible for reduced fees. For investors in the Class Funds, we will provide a rebate for the fees that apply to their Securities from Fidelity, unless you hold Series E or Series P Securities. We refer to this special rebate as a *fee rebate*. For investors in Fidelity ClearPath® 2060 Portfolio, we will reduce the fees we would otherwise charge the Fund and the Fund will make a special distribution equal to the amount of such reduction to the investor, unless they hold

Series E or Series P Securities as part of the *Fidelity Preferred Program*. We refer to this special distribution as a *fee distribution*. *Fee distributions* are paid first out of net income and net realized capital gains of the Fund, and then out of the capital of the Fund. *Fee rebates* and *fee 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, decrease, or cease to make any *fee rebates* or *fee distributions* to any investor at any time. The tax consequences of *fee rebates* and *fee distributions* made by the Funds generally will be borne by the securityholders receiving the fee rebates and fee distributions.

### Fidelity Preferred Program - Series E and P Securities

The Funds that offer Series E or P Securities as part of the *Fidelity Preferred Program* pay combined management and advisory fees and *Administration Fees* based on a tiered structure. The tier of Series E or P Securities that you may be eligible to hold is based on your total investments with us, as follows:

Series	Tier
E1, E1T5, P1 or P1T5	\$250,000 - \$999,999
E2, E2T5, P2 or P2T5	\$1,000,000 - \$2,499,999
E3, E3T5, P3 or P3T5	\$2,500,000 - \$4,999,999
E4, E4T5, P4 or P4T5	\$5,000,000 - \$9,999,999
E5, E5T5, P5 or P5T5	\$10,000,000+

Not all Series E and P tiers are available for each Fund. The higher the Series E and P tier, the lower the combined management and advisory fees and *Administration Fees* associated with holding those Securities.

An investor only becomes eligible to hold Series E or P Securities as part of the *Fidelity Preferred Program* once the investor's holdings in Fidelity Funds reaches a minimum of \$250,000, for an individual, or \$500,000, for a Series E/P financial group, provided that the Series E/P financial group has a primary account holder who holds Fidelity Funds valued at a minimum of \$250,000.

Fidelity offers account-linking as part of the *Fidelity Preferred Program* to you if your *dealer* and your *financial advisor* choose to participate. The account linking that is part of the *Fidelity Preferred Program* is optional for your *dealer* and your *financial advisor*. If your *dealer* and your

*financial advisor* participate in this account-linking program, your *financial advisor* must complete an “Account Linking Form”. This form requires you to advise your *financial advisor* of the accounts that qualify to be part of the Series E/P financial group. You are responsible for ensuring that your *financial advisor* is aware of all of the accounts that should be linked or listed in the Account Linking Form. Once a Series E/P financial group is created, the primary account holder can leave that Series E/P financial group without consequence to the Series E/P financial group, as long as the Series E/P financial group maintains minimum total investments with us, as set out below.

A Series E/P financial group is all accounts held by the primary account holder, who must be an individual holding a minimum of \$250,000 in Fidelity Funds, and the following individuals and entities that are related to that investor:

- The primary account holder’s spouse, at the primary account holder’s election, former spouses may remain part of the Series E/P financial group.
- The primary account holder’s children, grandchildren and great-grandchildren, in each case, including adoptive and step-children, and the spouses of these persons.
- Accounts in the names of companies for which one or more members of the Series E/P financial group are beneficial owners of greater than 50% of the voting equity.

In all cases the accounts must be held with the same *financial advisor* and *dealer*. You should let your *financial advisor* know of any such relationship. To create a Series E/P financial group, your *dealer* must complete and submit an account linking form and disclose the accounts that are part of the Series E/P financial group. Once a Series E/P financial group is created, the primary account holder can leave that Series E/P financial group without consequence to the Series E/P financial group as long as the Series E/P financial group maintains a minimum total investment with us of \$250,000.

Unless an individual’s total investments with us falls below \$150,000 or a Series E/P financial group’s total holdings with us falls below \$250,000, we do not switch investors out of:

- Series E Securities and back into Series B Securities.
- Series P Securities and back into Series F Securities.

These minimums are intended to provide investors with flexibility in connection with major life events. We reserve the right to switch investors and Series E/P financial groups out of Series E or P Securities if, in our view, the investor or the members of the Series E/P financial group are misusing this flexibility to fall below the applicable initial investment minimum.

Once you are invested in Series E or P Securities, the calculation of your total investments with us for the purposes of moving you between Series E or P tiers, and determining whether you remain eligible for Series E or P Securities, is based on the following:

- Only redemptions decrease the amount of total investments with us for the purposes of the calculation.
- Market value declines in your or your Series E/P financial group’s accounts do not result in decreases of the amount of total investments with us for the purposes of the calculation.
- In the case of Series F, F5, F8 and P Securities, while Fidelity will, on your instructions, redeem Securities of your Funds and send the proceeds of redemption to your *dealer* in payment of advisor service fees (plus applicable taxes), these redemptions decrease the amount of total investments with us for the purposes of the calculation.
- Market value increases and/or any additional investment you make in your or your Series E/P financial group’s accounts can move you to a higher Series E or P tier. Market value increases and any additional investment you make create a “high water mark”, and are the amount upon which we determine your Series E or P tier, as applicable, and the amount from which we deduct any redemption, regardless of any market value declines that occur after the high water mark is set.

We may, in our sole discretion, make changes to the *Fidelity Preferred Program*, including changing or eliminating Series E or P tiers, the account minimum for individuals, the account minimum or composition rules for

## Fees and expenses (continued)

Series E/P financial groups, or ceasing to offer Series E or P Securities altogether. Speak with your *financial advisor* for details about this program.

### Large Account Program

We also offer a program for large investors that we call our *Large Account Program* or *LAP*. Under this program, our decision to reduce the typical fees depends on a number of factors, including the size of the investment and the investor's total investments with us. We currently only consider an investor a "large investor" for purposes of considering a fee reduction if the holdings with Fidelity are a minimum of \$250,000 individually, or \$500,000 for a *LAP financial group*. A *LAP financial group* is all accounts held by related persons living at the same address, and includes accounts in the names of companies for which one or more members of the *LAP financial group* are beneficial owners of greater than 50% of the voting equity. You can obtain further details by contacting your *financial advisor*.

The *Large Account Program* is closed to new individuals who are not related to existing *LAP* participants. For existing participants in the *LAP*, Fidelity offers the fee reductions set out in the chart below, provided the conditions set out below are met. We may, at our discretion, offer different tiers and larger fee reductions to investors or *LAP financial groups* that invest greater than \$10 million in the Fidelity Funds.

Fund Type	Fee Reductions (basis points)		
	Tier 1 (Individual Accounts)	Tier 2 (Individual and <i>LAP</i> <i>Financial</i> <i>Groups</i> )	Tier 3 (Individual and <i>LAP Financial</i> <i>Groups</i> )
	\$250k- \$500k	\$500k-\$5M	Greater than \$5M
Fidelity ClearPath® 2060 Portfolio, Fidelity Founders Class and Fidelity Founders Currency Neutral Class	10	15	20

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* receives the applicable reduction. *LAP* is available in respect of all the Fidelity Funds in all series. As a condition of participation in the *LAP*, we require a reduction to the applicable trailing

commission that we would otherwise pay to the *dealer* (except for Series F, F5, F8 and O Securities, where no trailing commission is typically paid), a portion of which would be received by the investor's *financial advisor*. The expected reduction is a minimum of 10 basis points for the Funds. The amount of this trailing commission reduction is payable to the investor in the same manner as the fee reductions described above. To determine the total reduction payable, you add the fee reduction from Fidelity to the trailing commission reduction from your *dealer*.

You cannot participate in the *LAP* and also hold Series E or P Securities as part of the *Fidelity Preferred Program*. Existing *LAP* participants may choose to permanently move to Series E or P pricing under the *Fidelity Preferred Program*, or you may continue to participate in the *LAP*.

We may, in our sole discretion, make any change to this program, including increasing or decreasing the reductions available, changing or eliminating the tiers, or ceasing to offer them altogether. Speak with your *financial advisor* for details about this program.

### Underlying funds fees and expenses

Where a Fund invests, directly or indirectly, in one or more *underlying funds*, the fees and expenses payable for the management and advisory services of the *underlying funds* are in addition to those payable by the Fund. However, we make sure that any Fund that invests in another Fidelity Fund or another *underlying fund* does not pay duplicate management and advisory fees or expenses on the portion of its assets that it invests in the underlying Fidelity Fund or another *underlying fund* for the same service. In addition, any Fund that invests in another Fidelity Fund or another *underlying 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*.

### Securityholder notice

We 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. Because Series F, F5, F8, P and O

Securities are sold without a sales charge, a meeting of securityholders of these series of the Funds is not required to approve any increase in, or introduction of, a fee or expense charged to the Funds. Any such increase is only made if securityholders are notified of the increase at least 60 days before the increase takes effect.

## Fees and expenses payable directly by you

### Sales charges

#### *Initial sales charge option*

Series B, E, S5 and S8 Securities are available only under the *initial sales charge* option. You may have to pay an *initial sales charge* if you buy Securities of these series of a Fund. You and your *financial advisor* negotiate the amount you pay. The charge can be from 0% to 5% of the initial cost of your Securities of a 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, F5, F8, O or P Securities of a Fund.

#### *Deferred sales charge option*

You pay a *deferred sales charge* if you choose to buy Series A, T5 or 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, T5 or T8 Securities	You 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 Series A, T5 and T8 *deferred sales charge* Securities are automatically switched to Series B, S5 or 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 are not implemented if the value of the Securities to be switched is less than five dollars, but are 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, T5 or T8 Securities to lower management fee Series B, S5 or S8 Securities, respectively, after your redemption fee schedule has expired. See the ***Purchases, switches and redemptions*** section 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 the ***Purchases, switches and redemptions*** section 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, T5 or T8 Securities under the low load *deferred sales charge* option. Under this option, you 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, T5 or T8 low load Securities	You pay a charge of
during the first year you own them	2.0%
during the second year you own them	2.0%
during the third year you own them	zero

Your Series A, T5 and T8 low load *deferred sales charge* Securities are automatically switched to Series B, S5 or S8 Securities, respectively, 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 are not implemented if the value of the Securities to be switched is less than five dollars, but are 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

## Fees and expenses (continued)

switches. You can also elect to switch your low load *deferred sales charge* Series A, T5, or T8 Securities to lower management fee Series B, S5 or S8 Securities, respectively, after your redemption fee schedule has expired. See the **Purchases, switches and redemptions** section for details.

### Low load 2 deferred sales charge option

You may choose to purchase Series A, T5 or T8 Securities under the low load 2 *deferred sales charge* option. Under this option, you 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, T5 or T8 low load 2 Securities	You 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, T5 and T8 low load 2 *deferred sales charge* Securities are automatically switched to Series B, S5 or S8 Securities, respectively, which have lower management fees, four years after the time of purchase. This switch may result in higher trailing commissions being paid to the *dealer*. These automatic switches are not implemented if the value of the Securities to be switched is less than five dollars, but are 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, T5 or T8 Securities to lower management fee Series B, S5 or S8 Securities, respectively, after your redemption fee schedule has expired. See the **Purchases, switches and redemptions** section for details.

You pay no *deferred sales charge* when you redeem Series B, E, F, F5, F8, O, P, S5 or S8 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 that fee with your *financial advisor*.

You do not pay a switch fee when you switch from Series F, F5, F8 or P Securities of one Fund to Series F, F5, F8 or P Securities of another Fidelity Fund.

You do not pay a switch fee when we automatically switch your Series B or S5 Securities into Series E Securities, or when your Series E Securities are switched to Series B or S5 Securities or a different tier of Series E Securities.

You do not pay a switch fee when we automatically switch your Series F or F5 Securities into Series P Securities, or when your Series P Securities are switched to Series F or F5 Securities or a different tier of Series P Securities.

If you switch to Securities of another Fidelity Fund within 30 days of buying them, you may also be charged a short-term trading fee. In such event, you are not charged a *deferred sales charge* on a switch to another Fidelity Fund.

You can find more information about permitted switches of Securities in the **Purchases, switches and redemptions** section.

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

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

You negotiate that fee with your *financial advisor*.

You pay no switch fee when you switch from:

- Series B, S5 or S8 Securities of a Fund to Series F, F5 or F8 Securities of the same Fund.
- Series E Securities of a Fund to Series F, F5 or F8 Securities of the same Fund.
- Series F Securities of a Fund to Series F5, F8 or O Securities of the same Fund.
- Series F5 Securities of a Fund to Series F, F8 or O Securities of the same Fund.
- Series F8 Securities of a Fund to Series F, F5 or O Securities of the same Fund.
- Series O Securities of a Fund to Series F5 or F8 Securities of the same Fund.
- Series P Securities of a Fund to Series F5, F8 or O Securities of the same Fund.

#### Registered plan fees

None.

#### Short-term trading fee

Fidelity monitors for short-term trading activity. You are charged a short-term trading fee of 1% of the value of the Securities if you redeem or switch Securities within 30 days of buying Securities of the Funds (excluding the Investment Trusts).

We may decide to waive the fee in certain limited circumstances, for example, the death of a securityholder. For this purpose, Securities held for the longest time period are treated as being redeemed first, and Securities held for the shortest time period are treated as being redeemed last.

In addition, Fidelity monitors account trading activity to identify patterns of excessive trading. Excessive trading activity is determined by the number of redemptions or switches out of a Fund within 30 days of a purchase or switch into a Fund. For this purpose, Securities held for the shortest time period are treated as being redeemed first, and Securities held for the longest time period are treated as being redeemed last. If you redeem or switch Securities of the Funds within this period, you may:

- Receive a warning letter.
- Be charged a short-term trading fee of up to 1% of the value of the Securities.
- Have your account blocked from further purchases and switches for a period of time.
- Be required to redeem your account.

Further to the above sanctions, Fidelity may, in its sole discretion, restrict, reject, or cancel any purchase or switch into a Fund, or apply additional sanctions where we deem activity to not be in the Funds' interests.

**In certain circumstances, the short-term trading fee does not apply. See the *Purchases, switches and redemptions* section for details.**

#### Fee for sizable redemptions

Fidelity monitors for sizable transaction activity.

Sizable Investors of a Fund are be subject to a 1% penalty of the value of the Securities that they sell/switch if they sell/switch their Securities of the Fund within 30 days of their most recent purchase/switch into the Fund. Sizable investors *may* be subject to a 1% penalty of the value of the Securities if they fail to provide the required notice to Fidelity prior to completing a sizable redemption (as described in ***Sizable transactions in the Purchases, switches and redemptions*** section). At the time the redemption order is received without notice, Fidelity will assess the potential impact to the Fund and determine

## Fees and expenses (continued)

whether the 1% penalty is applied. This fee goes to the Fund.

If the redemption or switch transaction would be subject to both a sizable redemption fee and a short-term trading fee, the Sizable Investor will only be subject to the sizable redemption fee. For greater certainty, the total penalty applied will not exceed 1% of the value of the Securities redeemed or switched.

See **Short-term trading** and **Sizable transactions** in the section **Purchases, switches and redemptions** for details.

### Other

#### *Cheque fees*

You may be charged a fee of \$25 plus applicable taxes for each payment that you request by cheque in respect of redemptions, payments under a systematic withdrawal plan, cash distributions or *T-SWP*® Series distributions.

#### *Insufficient funds fee*

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

#### *Advisor Service Fee*

Investors in Series F, F5, F8 or P Securities may pay their advisor service fees to their *dealer* by authorizing Fidelity to redeem Securities of these series from their account equal to the amount of the fees payable by the investor to their *dealer* (plus applicable taxes) and to pay the proceeds to their *dealer*.

These redemptions are made on a quarterly basis, and the redemption proceeds for the advisor service fees (plus applicable taxes) are forwarded on to the *dealer*. Where such an arrangement exists, the maximum annual advisor service fee rate that Fidelity facilitates the payment of is 1.50% (excluding applicable taxes). The advisor service fee is calculated on a daily basis based on the daily net asset value of the investor's Securities at the end of each business day.

Investors are eligible to have Securities of these series redeemed by Fidelity and the proceeds paid to their *dealer*, if:

- They do not hold their Securities in a fee-based account where they pay fees directly to their *dealer*.
- Their *dealer* has entered into the appropriate eligibility agreement with Fidelity.
- They have entered into an advisor service fee agreement with their *dealer* and Fidelity.

The advisor service fee agreement must disclose the advisor service fee rate(s) the investor has negotiated with the *dealer* for the advice provided by the *dealer* to the investor with respect to purchasing and selling Securities of the Fidelity Funds and/or administration and management services with respect to the investor's Securities of the Fidelity Funds.

#### *Series O management fee*

Fidelity ClearPath® 2060 Portfolio does not pay any management fee in respect of Series O Securities. Instead, you have to pay an annual fee to us, which is negotiable. This fee accrues daily and is paid monthly, and does not exceed the aggregate maximum annual rate of the management and advisory fees payable for Series F Securities of this Fund.

No management and advisory fees are charged to the Investment Trusts, which are only available for purchase by the Fidelity Funds and other funds and accounts managed or advised by Fidelity.

## 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 the **Fees and expenses** section 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 (the 10% free amount is not available for the low load *deferred sales charge* option and the low load 2 *deferred sales charge* option).

	When you buy your Securities	Within 1 year	Within 3 years	Within 5 years	Within 10 years
<i>Initial sales charge</i> option <sup>(1)</sup>	\$50	—	—	—	—
<i>Deferred sales charge</i> option <sup>(2)</sup>		\$60	\$50	\$30	—
Low load <i>deferred sales charge</i> option <sup>(2)</sup>	—	\$20	—	—	—
Low load 2 <i>deferred sales charge</i> option <sup>(2)</sup>	—	\$30	\$20	—	—
No load option <sup>(3)</sup>	n/a	n/a	n/a	n/a	n/a

<sup>(1)</sup> Only Series B, E, S5 and S8 Securities are available under this option. You do not pay any sales charges if you buy Series F, F5, F8 and P Securities. Instead, you pay your *dealer* an annual fee for investment advice and/or other services. Series O Securities are also sold without a sales charge.

<sup>(2)</sup> Only Series A, T5 and 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.

<sup>(3)</sup> We do not offer a no load option.

# Dealer compensation

## How your *financial advisor* and *dealer* are paid

Your *financial advisor* usually is the person you buy Fidelity Funds from. Your *financial advisor* could be a broker, financial planner, or other person who sells 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, B, E, S5, S8, T5 or T8 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 sales charge you are charged when you buy Series B, E, S5 or 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 the **Fees and expenses** section for details.

#### *Deferred sales charge options*

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

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

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

### 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 from Securities of a Fund to a different series of the same Fund, or when you switch from Securities of a Fund to Securities of another Fund or other Fidelity Fund. You negotiate that fee with your *financial advisor*. The charge is paid by redeeming Securities of the Fund you're switching out of. You don't pay a switch fee when you switch Series C or D Securities of Fidelity Canadian Money Market Fund to any other Fidelity Fund as part of your ClearPlan® program. See the **Fees and expenses** section for details about this fee. Also see the **Purchases, switches and redemptions** section for more information about permitted switches.

### Trailing commissions

We pay trailing commissions to your *dealer* on Series A, B, E, S5, S8, T5 or T8 Securities at the end of each quarter or, if the *dealer* qualifies to be paid electronically, possibly on a more frequent basis. We expect that *dealers* pay a portion of the trailing commission to their *financial advisors*. Trailing commissions are paid to all dealers, including discount brokers. These commissions are a percentage of the average daily value of the above series of Securities of each Fund held by the *dealer's* clients. The commissions depend on the Fund and the sales charge option. We may change or cancel the terms of the trailing commissions in our discretion and without advance notice. The following table shows the maximum trailing commissions rates:

Fund	Maximum annual trailing commission rate			
	Series A, T5 and T8 Securities			Series B, E, S5 and S8 Securities
	<i>Deferred sales charge option</i>	Low load <i>deferred sales charge option</i>	Low load 2 <i>deferred sales charge option</i>	<i>Initial sales charge option</i>
Fidelity ClearPath® 2060 Portfolio, Fidelity Founders Class and Fidelity Founders Currency Neutral Class	0.50%	1.00%	0.50%	1.00%

### **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 Fidelity Funds. We pay for our own marketing and advertising programs.

We may share with *dealers* up to 50% of their costs in marketing the Fidelity Funds. This may include paying a portion of the costs of a *dealer* in advertising the availability of Fidelity 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 *dealers* decide if their *financial advisors* can attend. 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 Fidelity Funds do not pay the costs of these programs.

## Dealer compensation from management fees

We paid *dealers* compensation of approximately 46.5% of the total management fees we received from all the Fidelity Funds we managed during our financial year ended December 31, 2017. This includes amounts we paid to *dealers* for commissions, trailing commissions, 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 directly as capital property or in a registered plan. 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 advisor for details about your individual situation.

Each class of shares of the Corporation is referred to as a Fund or Class Fund. If you invest for an RRSP or other tax-sheltered registered plan, you may instead wish to consider the other Fidelity Funds that are trust funds.

### How the Funds aim to make money

A Fund can make money in 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*. Second, a Fund can have capital gains if the value of its investments 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 Fidelity Fund may have the character of a dividend from Canadian companies, taxable capital gain, Canadian income from a trust, foreign income from a trust, or return of capital.

### How the Trust Funds are taxed

The Trust Funds are established as separate trusts. Each year, the Trust Funds pay out a sufficient amount of their income and realized capital gains (after deducting expenses) so that, generally, they don't have to pay ordinary income tax. This is known as a distribution.

Typically, foreign source income is subject to foreign withholding tax.

Gains and losses realized by a Trust Fund from the use of *derivatives* for non-*hedging* purposes will be treated for tax purposes as ordinary income and losses, rather than as capital gains and losses. Gains and losses realized by a

Trust Fund 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.

## How the Corporation is taxed

The Class Funds offered in this simplified prospectus are established as classes 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 with respect to 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 corporate rates applicable to a mutual fund corporation on income from other sources such as interest, certain derivative income and foreign source 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 income tax.

Gains and losses realized by the Corporation from the use of derivatives for non-hedging purposes will be treated for tax purposes as ordinary income and losses, rather than as capital gains and capital 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 Founders Currency Neutral 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 CRA could challenge this treatment on the basis that these gains are income. A reassessment of the Corporation may result in a tax liability for the Corporation.

**The Corporation keeps track of the assets and liabilities of each Corporate Fund (i.e., each class of shares) separately, but for tax purposes it must calculate its net income (loss), net realized capital gains (losses), tax credits, tax refunds and tax liability as a single corporation. As a result, the ordinary *dividends* and capital gains *dividends* paid to you on**

**your Securities of a Class Fund will likely be different than the amount you would have received if the Class Fund were 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 Corporate Fund. In this way, expenses or losses from one Corporate Fund may be used to reduce income or capital gains from another Corporate Fund, thus reducing the tax liability attributed to that Corporate 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 taxable redemptions of all Securities of all Corporate Funds and by all realized and unrealized gains and losses on all of the assets of the Corporation. The Corporation may be forced to buy and sell assets of a Corporate Fund more quickly than a Corporate Fund would otherwise choose to do because of switching between Corporate Funds (including switching that occurs under the ClearPlan<sup>®</sup> service or the systematic exchange program), resulting in earlier recognition of gains and losses. This may increase or decrease the amount of capital gains *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 Corporate Funds in a manner that, in Fidelity's view, is both consistent and fair to investors. The amount of ordinary *dividends* and capital gains *dividends* that is paid to investors by each Corporate Fund is determined in accordance with an allocation policy that has been approved by the Board of Directors of the Corporation.

Most Corporate Funds, including the Class Funds, invest their assets in Securities of *underlying funds*. In determining the taxable income of the Corporation and the amount of ordinary *dividends* and capital gains *dividends* to be paid at the level of each Corporate Fund, the Corporation must consider the income and capital gains distributions received from *underlying funds*, capital gains and losses realized on the disposition of Securities of the *underlying funds*, as well as capital gains and losses from the disposition of other securities and income on other

## Income tax considerations for investors (*continued*)

securities held by the Corporation. In certain circumstances, capital losses realized by the Corporation on the disposition of securities held by it may be suspended and, therefore, will not be immediately available to shelter capital gains. Generally, Canadian source *dividends* received from an *underlying fund* or earned directly will be paid as an ordinary *dividend* to shareholders of the Corporate Fund that invests in that *underlying fund* or security. Other income, capital gains and losses on assets attributable to a Corporate Fund and expenses incurred in respect of those assets will generally be attributed to that Corporate Fund. However, the expenses and losses attributable to a Corporate Fund may also be used to reduce income and/or capital gains attributable to another Corporate Fund. Due to the complexity of the Corporation's structure, there are other factors that will be taken into account in determining the amount of ordinary *dividends* and capital gains *dividends* to be paid at the level of each Corporate Fund.

The Board of Directors of the Corporation has final discretion as to the payment of ordinary *dividends* and capital gains *dividends* and will consider appropriate deviations from the above considering the best interests of all investors of the Corporation. Ordinary *dividends* and/or capital gains *dividends* may be paid on a Corporate Fund in respect of a year when no Canadian source *dividends* or capital gains are attributable to that Corporate Fund.

### 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 held in your registered plan**

Generally, neither you nor your registered plan are subject to tax on distributions or *dividends* paid on Securities held in your registered plan or on capital gains realized when those Securities are redeemed or switched. This assumes the Securities are a qualified investment and not a prohibited investment. Securities of the Funds (other than the Investment Trusts) are expected to be a qualified investment for registered plans. However, even when Securities of a Fund are a qualified investment, you may be subject to tax if a Security held in your registered plan

(other than a DPSP) is a prohibited investment for your registered plan.

Under a safe harbour rule for new mutual funds, Securities of the Funds will not be a prohibited investment for your registered plan at any time during the first 24 months of the Fund's existence. After that, Securities of Fidelity ClearPath® 2060 Portfolio should generally not be a prohibited investment for your registered plan if you and persons with whom you do not deal at arm's length, and any trusts or partnerships in which you or persons with whom you do not deal at arm's length have an interest, do not, in total, own Securities representing 10% or more of the net asset value of the Fund. Securities of a Class Fund should not be a prohibited investment for your registered plan if you and persons with whom you do not deal at arm's length, and any trusts or partnerships in which you or persons with whom you do not deal at arm's length have an interest, do not, in total, own 10% or more of the Securities of any series of any Corporate Fund. Securities of a Fund will also not be a prohibited investment for your registered plan if they are "excluded property" under the *Tax Act*.

**You should consult your tax advisor about the special rules that apply to each type of registered plan, including whether or not an investment in a Fund would be a prohibited investment for your registered plans.**

#### **Funds held in your non-registered account**

You must compute and report all income and capital gains in Canadian dollars. If you hold your Securities in a non-registered account and receive a distribution (including a *fee distribution*) or *dividend* during a year, we'll send you a tax slip for the year. It shows, in the case of a Class Fund, your share of ordinary *dividends*, capital gains *dividends* and your return of capital, if any, paid to you during the previous calendar year, as well as any allowable tax credits. In the case of a Trust Fund, it shows your share of the Trust Fund's net income, and net realized capital gains and your return of capital, if any, paid to you for the previous year, as well as any allowable tax credits. 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. Distributions paid by a Trust Fund may include

*dividends* from taxable Canadian companies, foreign income, capital gains 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 companies, including the Corporation. A Fund or an *underlying fund* may pay foreign withholding tax on its foreign income. In the case of a Trust Fund, some or all of the foreign tax paid by a Fund or an *underlying fund* 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 as a capital gain.

Distributions of capital are not taxable. Instead a return of capital reduces the adjusted cost base of your Securities of a 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 *T-SWP*® Series of Fidelity Founders Class and Fidelity Founders Currency Neutral Class will be comprised of returns of capital.

Generally, fees paid by you to your *dealer* in respect of Series F, F5, F8 or P Securities of the Funds held outside a registered plan should be deductible for income tax purposes from the income earned on the Funds to the extent that the fees are reasonable, represent fees for advice to you regarding the purchase or sale of specific securities (including Securities of the Funds) by you directly or for services provided to you in respect of the administration or management of securities (including Securities of the Funds) owned by you directly, and the fees are paid by you to a *dealer* whose principal business is advising others regarding the purchase or sale of specific securities, or includes the provision of administration or management services in respect of securities. Fees paid directly by you to Fidelity for services provided by Fidelity to the Funds (such as with respect to Series O Securities) are not deductible. You should consult your tax advisor regarding the deductibility of fees paid directly by you in your particular circumstances.

Generally, you must include fee rebates received in your income for tax purposes. However, in certain circumstances, you may instead elect to have the amount of the rebate reduce the cost of the related Securities.

## Capital gains and losses when you redeem or switch your Securities

You realize a capital gain if the amount you receive from redeeming or otherwise disposing of Securities is more than the adjusted cost base of the Securities, after deducting any costs of redeeming the Securities. You'll realize a capital loss if the amount you receive from a redemption or other disposition is less than the adjusted cost base, after deducting any costs of redeeming your Securities. The redemption of Securities to make a switch is a disposition. The conversion of Securities to make a switch between two Corporate Funds is a disposition. This will include switches that occur under the ClearPlan® service or systematic exchange program. Switching Securities between two series of the same Fund is not a disposition. Capital gains or capital losses are realized on redemptions made to pay fees to your *dealer*, including in connection with Series F, F5, F8 and P Securities.

Generally, one-half of a capital gain is included in calculating your income as a taxable capital gain, and one-half of a capital loss can be deducted against taxable capital gains, subject to any applicable loss restriction rules.

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 adjusted cost base of all the identical Securities you hold in the Fund. That includes Securities you got through reinvestments of distributions or *dividends*. If you've bought and sold Securities in U.S. dollars, the cost and proceeds of disposition must be converted into Canadian dollars at the exchange rate on the date of purchase and redemption, as applicable.

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

### How to calculate adjusted cost base

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

## Income tax considerations for investors (*continued*)

- Start with your initial investment, including any sales charges you paid.
- Add any additional investments, including any sales charges you paid (and also any invested rebates if you did not elect to reduce the adjusted cost base of your Securities).
- Add any distributions or *dividends* you reinvested, including *fee distributions*.
- Add the adjusted cost base of Securities received on a tax-deferred switch and the net asset value of the Securities received on a taxable switch.
- Subtract the part of any distributions, including *fee distributions* that was a return of capital.
- Subtract the adjusted cost base of any previous redemptions and switches.

To calculate adjusted cost base, you'll need to keep detailed records of the price you paid and received for your investments, and also keep the tax slips we send to you. They include distributions that are a return of capital. For more information, contact your tax advisor.

### Buying Securities late in the year

The price of a Security may include income and/or capital gains that the Fund has accrued, earned or realized, but not yet distributed. You will be taxable on *dividends* and on distributions of a Fund's income and capital gains even if that income and capital gains is attributable to a time before you acquired the Securities. This could be particularly significant if you purchase Securities of a Fund late in the year, or on or before the date on which a dividend or distribution will be paid.

### Portfolio turnover

The higher a Fund's or *underlying fund's* portfolio turnover rate is in a year, the greater the chance that you will receive a capital gains distribution or capital gains 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.

## Additional considerations for investors

You will generally be required to provide your *financial advisor* with information related to your citizenship, tax residence, and, if applicable, your foreign tax identification number. If you are identified as a U.S. citizen (including a U.S. citizen living in Canada) or a foreign tax resident, details about you and your investment in a Fund will generally be reported to the *CRA*, unless the Securities are held in a registered plan. The *CRA* is expected to provide that information to the foreign tax authority in the relevant country if the country has signed an exchange of financial account information agreement with Canada.

The U.S. Internal Revenue Service issued a clarification to a set of existing tax rules that resulted in Canadian mutual funds (such as the Fidelity Funds) generally being classified as corporations for U.S. tax purposes. As a result, U.S. taxpayers (including Canadian residents who are U.S. citizens) who hold Canadian mutual funds generally are subject to the Passive Foreign Investment Company rules, known as *PFIC*, including an annual requirement to report each *PFIC* investment, held directly or indirectly on a separate U.S. tax form. If you are a U.S. citizen, you should consult your tax advisor about the U.S. tax rules that apply to you and the advisability of making (or refraining from making) any U.S. tax election, such as a Qualified Electing Fund or *QEF* election.

Generally, the *QEF election* more closely aligns the Canadian and U.S. tax treatment of an investment in Canadian mutual funds. To assist investors who choose to make *QEF* elections, Fidelity will make available *PFIC* annual information statements, referred to as *AIS*, for the Fidelity Funds. Investors should consult their *dealer* or *financial advisors* about obtaining their *AIS* from Fidelity.

## Combinations of Fidelity ClearPath<sup>®</sup> Retirement Portfolios and Fidelity ClearPath<sup>®</sup> Income Portfolio

In the future, it is expected that the Fidelity ClearPath<sup>®</sup> Retirement Portfolios (including ClearPath<sup>®</sup> 2060 Portfolio) will be combined with Fidelity ClearPath<sup>®</sup> Income Portfolio (which is offered under a separate simplified prospectus). This may result in capital gains being realized by a Fidelity ClearPath<sup>®</sup> Portfolio, which capital gains may be distributed

to securityholders. As well, this may result in a capital gain or loss being realized by securityholders as a result of the disposition of their Securities of the particular Fidelity ClearPath® Portfolio.

## Statement of rights

Securities legislation in some provinces and territories gives you the right to withdraw from an agreement to buy mutual funds within two business days of receiving the simplified prospectus or fund facts, or to cancel your purchase within 48 hours of receiving confirmation of your order.

Securities legislation in some provinces and territories also allows you to cancel an agreement to buy mutual fund securities and get your money back, or to make a claim for damages, if the simplified prospectus, annual information form, fund facts or financial statements misrepresent any facts about the fund. These rights must usually be exercised within certain time limits.

For more information, refer to the securities legislation of your province or territory or consult a lawyer.

# 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 an Equity Fund, a Fixed Income Fund, a Fidelity ClearPath® Retirement Portfolio and Equity Classes. Choosing the right ones means knowing what kinds of investments the Funds make and what kinds of risks they face. 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 series available under the U.S. dollar option, and whether it is a qualified investment for registered plans, and the management and advisory fees and *Administration Fee* for each series. Your *dealer* and *financial advisor* can assist you in determining the series that you are eligible to invest in.

### About the Series

We currently offer up to twenty-six series of Securities for the Funds. The series offered by a Fund are set out in that Fund's profile. We may offer additional series in the future.

Throughout this simplified prospectus, we use the term "tier" to refer to the separate series of Series E and P Securities.

### 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 E1, E1T5, E2, E2T5, E3, E3T5, E4 and E5 Securities (Series E)

Series E Securities are available only to investors who hold Series B or S5 Securities and then become eligible to hold Series E Securities, or who already hold Series E Securities, as part of the *Fidelity Preferred Program* provided their *dealer* has entered into the appropriate eligibility agreement with Fidelity and can support Series E Securities. Series E Securities are not available to an investor enrolled in the *Large Account Program* (described in the **Fees and Expenses** section) unless the investor chooses to permanently leave the *Large Account Program* in order to hold Series E Securities as part of the *Fidelity Preferred Program*.

Series E Securities have lower combined management and advisory and *Administration Fees* than Series B or S5 Securities. Each Series E tier has different management and advisory fees and *Administration Fee*. To determine the Series E tier that you are eligible to hold, see **Fidelity Preferred Program - Series E and P Securities** in the **Fees and Expenses** section.

We determine whether you are eligible for Series E Securities as part of the *Fidelity Preferred Program* based on the amount you, either individually or as part of a Series E/P financial group, have invested with Fidelity. Your *dealer* is responsible for determining whether you and the entities related to you qualify as a Series E/P financial group.

We automatically switch any Series B or S5 Securities held by an investor who qualifies for Series E Securities into the Series E tier with the lowest combined management and advisory and *Administration Fee* available to that investor, based on information provided to us by your *dealer*. See the **Purchases, switches and redemptions** section for details.

If you're no longer eligible to hold a particular tier of Series E Securities, we automatically switch your Securities into the appropriate series of Securities, which might result in you holding Series B or S5 Securities.

Series E1T5, E2T5 and E3T5 Securities are available only to investors who hold Series S5 Securities and then become eligible to hold Series E Securities, and to

investors who already hold Series E Securities as part of the *Fidelity Preferred Program*. These series are designed to provide tax efficient cash flow to investors by making monthly return of capital distributions.

If you qualify for Series E Securities as part of the *Fidelity Preferred Program*, we automatically switch any Series S5 Securities you hold into the one of these Series E tiers, if available, that has the lowest combined management and advisory fees and Administration Fee for which you are eligible. If you are no longer eligible to hold Series E1T5, E2T5 or E3T5 Securities, we automatically switch your Securities into the appropriate series of Securities, which may result in you holding Series S5 Securities.

We restrict omnibus and bulk accounts from holding Series E Securities where we cannot identify who the beneficial securityholders are in order to determine whether each beneficial securityholder is independently eligible to hold Series E Securities.

## Series F Securities

Series F Securities have lower combined management and advisory fees and *Administration Fees* than Series A, B, S5, S8, T5 or T8 Securities. Instead of paying sales charges, investors in Series F Securities pay their *dealer* a fee for the investment advice and/or administration and management services they provide.

Investors may buy Series F Securities in a fee-based account at their *dealer*, where they pay fees directly to their *dealer*, provided their *dealer* has entered into the appropriate eligibility agreement with Fidelity.

Investors may also buy Series F Securities and pay fees to their *dealer* by authorizing Fidelity to redeem Series F Securities from their account having a value equal to the amount of the fees payable by the investor to the *dealer* (plus applicable taxes) and to pay the proceeds to their *dealer*. Investors are eligible to have their Series F Securities redeemed by Fidelity, and the proceeds paid to their *dealer*, if:

- They do not hold their Series F Securities in a fee-based account where they pay fees directly to their *dealer*.

- Their *dealer* has entered into the appropriate eligibility agreement with Fidelity.
- They have entered into an advisor service fee agreement with their *dealer* and Fidelity.
- The advisor service fee agreement must disclose the advisor service fee rate(s) the investor has negotiated with the *dealer* for the advice to be provided by the *dealer* to the investor with respect to purchasing and selling securities of the Fidelity Funds and/or for the administration and management services with respect to the investor's securities of the Fidelity Funds.

If an investor enters into an advisor service fee agreement, Fidelity facilitates the payment of the advisor service fee (plus applicable taxes) by the investor to the *dealer* by redeeming the investor's Series F Securities on a quarterly basis and forwarding the redemption proceeds for the advisor service fees to the *dealer*. See the **Fees and expenses** section for details.

We don't pay any commissions or trailing commissions to *dealers* who sell Series F Securities, which means we can charge lower management and advisory fees. 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 switch 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 F5 Securities

Series F5 Securities are designed to provide tax efficient cash flow to investors by making monthly distributions. The above provisions in connection with Series F Securities apply equally to Series F5 Securities. If you are no longer eligible to hold Series F5 Securities, they are 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. The above provisions in connection with Series F Securities apply equally to Series F8 Securities. If you are no longer

Specific information about each of the mutual funds described in this document (*continued*)

eligible to hold Series F8 Securities, they are 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 of Fidelity ClearPath® 2060 Portfolio are only available to institutional investors who may be individuals or financial institutions which have been approved by us and have entered into a Series O fund purchase agreement with us. Series O investors are typically financial services companies that make large investments in the Fidelity Funds, and that use Securities of the Fidelity Funds to facilitate offering other products to investors or to provide administrative services to group plans. The criteria for approval as a Series O investor 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 Fidelity ClearPath® 2060 Portfolio with respect to the Series O Securities, but investors are charged a negotiated management fee for the provision of our services to them. Consequently, investors in Series O Securities may pay, as a percentage of their investment, a management fee that is different from that payable by other investors in Series O Securities. We don't pay any commissions or trailing commissions to *dealers* who sell Series O Securities. There are no sales charges payable by investors who purchase Series O Securities.

Since Series O investors are typically financial services companies, their need for portfolio information may be different from other investors. As a result, we may provide them with portfolio disclosure more frequently than we provide this disclosure to other investors, and the information provided may be more detailed and/or presented in a somewhat different fashion. This information is only provided subject to an agreement limiting the investor's use of the information, and prohibiting the investor from disclosing it to any other party.

Series O Securities of the Investment Trusts are only available for purchase by the Fidelity Funds and other funds and accounts managed or advised by Fidelity. Series O Securities of these Funds are not available for public purchase. No management and advisory fees are charged to these Funds with respect to their Series O Securities, but

the Fidelity Funds and other funds and accounts that hold these Series O Securities are charged a management fee for the provision of our services to them. We don't pay any commissions or trailing commissions to *dealers* who sell Series O Securities of these Funds. There are no sales charges payable in respect of purchases of Series O Securities of these Funds.

### **Series P1, P1T5, P2, P2T5, P3, P3T5, P4 and P5 Securities (Series P)**

Series P Securities are available only to investors who hold Series F or F5 Securities and then become eligible to hold Series P Securities, or who already hold Series P Securities, as part of the *Fidelity Preferred Program* provided their *dealer* has entered into the appropriate eligibility agreement with Fidelity and can support Series P Securities. Series P Securities are not available to an investor enrolled in the *Large Account Program* (described in the ***Fees and Expenses*** section) unless the investor chooses to permanently leave *the Large Account Program* in order to hold Series P Securities as part of the *Fidelity Preferred Program*.

Series P Securities have lower combined management and advisory fees and *Administration Fees* than Series F Securities. Each Series P tier has different management and advisory fees and *Administration Fee*. To determine the Series P tier that you are eligible to hold, see ***Fidelity Preferred Program – Series E and P Securities*** in the ***Fees and Expenses*** section.

We determine whether you are eligible for Series P Securities as part of the *Fidelity Preferred Program* based on the amount you, either individually or as part of a Series E/P financial group, have invested with Fidelity. Your *dealer* is responsible for determining whether you and the entities related to you qualify as a Series E/P financial group.

We automatically switch any Series F or F5 Securities held by an investor who qualifies for Series P Securities into the Series P tier with the lowest combined management and advisory fees and *Administration Fee* available to that investor, based on the information provided to us by your *dealer*. See the ***Purchases, switches and redemptions*** section for details.

If you're no longer eligible to hold a particular Series P tier, we automatically switch your Securities into the appropriate series of Securities, which might result in you holding Series F Securities.

If, however, you are no longer eligible to hold a particular Series P tier as a result of your *dealer* determining that you are no longer eligible to hold Series F or F5 Securities, as applicable, your *dealer* is responsible for telling us to switch your Series P Securities into Series B or S5 Securities, as applicable, of the same Fund or to redeem them.

As all eligible investors for Series P Securities will initially hold Series F or F5 Securities, Series P Securities may be held in a fee-based account at their *dealer*, where they pay fees directly to their *dealer*. Investors may also pay fees to their *dealer* by authorizing Fidelity to redeem Series P Securities from their account having a value equal to the amount of the fees payable by the investor to their *dealer* (plus applicable taxes) and to pay the proceeds to their *dealer*.

Investors are eligible to have their Series P Securities redeemed by Fidelity, and the proceeds paid to their *dealer*, if:

- They do not hold their Series P Securities in a fee-based account where they pay fees directly to their *dealer*.
- Their *dealer* has entered into the appropriate eligibility agreement with Fidelity.
- They have entered into an advisor service fee agreement with their *dealer* and Fidelity.

The advisor service fee agreement must disclose the advisor service fee rate(s) the investor has negotiated with the *dealer* for the advice to be provided by the *dealer* to the investor with respect to purchasing and selling Securities of the Fidelity Funds and/or for the administration and management services with respect to the investor's Securities of the Fidelity Funds.

If an investor enters into an advisor service fee agreement, Fidelity facilitates the payment of the advisor service fee (plus applicable taxes) by the investor to the *dealer* by redeeming the investor's Series P Securities on a quarterly basis and forwarding the redemption proceeds for the

advisor service fees to the *dealer*. See the **Fees and expenses** section for details.

We don't pay any commissions or trailing commissions to *dealers* in connection with Series P Securities, which means we can charge lower management and advisory fees.

Series P1T5, P2T5 and P3T5 Securities are available only to investors who hold Series F5 Securities and then become eligible to hold Series P Securities, and to investors who already hold Series P Securities as part of the *Fidelity Preferred Program*. These series are designed to provide tax efficient cash flow to investors by making monthly distributions.

If you qualify for Series P Securities as part of the *Fidelity Preferred Program*, we automatically switch any Series F5 Securities you hold into the one of these Series P tiers, if available, that has the lowest combined management and advisory fees and *Administration Fee* for which you are eligible. If you are no longer eligible to hold Series P1T5, P2T5 or P3T5 Securities, we automatically switch your Securities into the appropriate series of Securities, which may result in you holding Series F5 Securities.

We restrict omnibus and bulk accounts from holding Series P Securities where we cannot identify who the beneficial securityholders are in order to determine whether each beneficial securityholder is independently eligible to hold Series P Securities.

### **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. 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. The minimum initial investment for Series S8 Securities of a Fund is \$5,000.

Specific information about each of the mutual funds described in this document (*continued*)

### **Series T5 Securities**

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

### **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. The minimum initial investment for Series T8 Securities of a Fund is \$5,000.

### **Other series information**

Fidelity, in its sole discretion, may waive or change any of the above minimum initial investment amounts at any time. The current minimum initial investment amounts may be obtained on our website at [www.fidelity.ca](http://www.fidelity.ca). For information on buying Securities of the Funds, see the ***Purchases, switches and redemptions*** section.

Series A, T5 and T8 Securities purchased under the *deferred sales charge* option are automatically switched to Series B, S5 and S8 Securities, respectively, which have lower management fees, as soon as possible following one year after the completion of their redemption fee schedules. You can find a description of the *deferred sales charge* options available and their redemption fee schedules in the ***Fees and expenses*** section. These automatic switches are not implemented if the value of the Securities to be switched is less than five dollars, but are implemented once the value of the Securities to be switched is five dollars or more. You can also elect to have your Series A, T5 or T8 Securities that were purchased under the *deferred sales charge* option switched to the Series B, S5 or S8 Securities, respectively, at any time after your redemption fee schedule expires. See the ***Purchases, switches and redemptions*** section for details.

For each series of a Fund, excluding Series O, Fidelity pays all of the operating expenses incurred by the Fund for that series (including for services provided by Fidelity and/or its

affiliates), except for Fund Costs, in exchange for the *Administration Fee* that is paid by the Fund in respect of these series. For Series O, Fidelity pays all of the operating expenses and costs incurred by the Fund in respect of Series O (including for services provided by Fidelity and/or its affiliates), except for certain costs that are paid by the Fund in respect of Series O. See the ***Fees and expenses*** section for details. The differences in expenses and fees between series mean that each series of a Fund has a different net asset value per Security.

### **3. What does the fund invest in?**

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

#### ***Investment objectives***

Just like you, each Fund has goals for the money it invests. This section tells you what those goals are. Some Funds seek to earn income, while others seek to increase the value of their investments as much as possible. Still others seek to do both. Each Fund has its distinct investment objectives. You will find details about the kinds of securities the Fund invests in, as well as any special investment focus, such as a particular country or industry.

Fidelity Founders Class and Fidelity Founders Currency Neutral Class invest substantially all of their assets in Fidelity Founders Investment Trust. While these Funds seek a similar return to Fidelity Founders Investment Trust, each Fund's actual return is generally lower. The lower return results from the top funds' operating expenses and from differences in timing between the top Fund receiving cash, making investments, and paying redemptions. Fidelity Founders Currency Neutral Class uses *derivatives* to try to minimize the exposure to currency fluctuations between foreign currencies and the Canadian dollar.

We can't change a Fund's investment objectives 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 management team tries to achieve the Fund's investment objectives. You will find the portfolio management team's general approach to

investing, and how the portfolio management team chooses investments for the Fund.

For Funds that invest in *underlying funds*, this section will focus on the strategies relating to its *underlying funds*.

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

All of the Funds can hold cash and invest in *fixed income securities*. The Class Funds can engage in *reverse repurchase transactions* and the Trust Funds can engage in *repurchase, reverse repurchase and securities lending transactions*, which are described in the section ***What is a mutual fund and what are the risks of investing in a mutual fund?***

The *underlying funds* may also invest a portion of their assets in securities of other mutual funds, as permitted under Canadian securities regulations.

Certain of the funds may engage in short selling in order to manage *volatility* or enhance the Fund's performance in declining or volatile markets. For more information about short selling, see ***What is a mutual fund and what are the risks of investing in a mutual fund?***

All of the Funds can use *derivatives*. You find out how a Fund uses *derivatives* in the Investment strategies section of its Fund profile. For more information about *derivatives*, see ***What is a mutual fund and what are the risks of investing in a mutual fund?***

## **Regulatory exemptions**

### **Derivatives**

Certain Funds may use *derivatives*, as indicated in each Fund's profile. *Derivatives*, like options, futures contracts, forward contracts, and swaps, may be used to hedge against losses caused by changes in security prices, interest rates, or exchange rates. These Funds may also use *derivatives* for non-*hedging* purposes, including as a substitute for a stock, stock market, or other security, or where their use is considered efficient from a portfolio management perspective.

When a Fund uses a *derivative* for *hedging* purposes, it must hold assets, including another *derivative*, that carry a risk that the derivative aims to offset. When a Fund uses a *derivative* for non-*hedging* purposes, it must generally hold cash or other assets that are equal to the Fund's market exposure from the *derivative*.

Interest rate swaps and credit default swaps are examples of the types of swaps that certain Funds 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.

Subject to certain conditions, Fidelity Funds that use *derivatives* have been granted an exemption by the securities regulators to permit these Funds to use additional assets to cover a Fidelity Fund's market exposure:

- When opening or maintaining 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.
- When entering into or maintaining a swap position.

See each Fund's most recently filed management report of fund performance for information relating to any material use of *derivatives* by a Fund over the applicable reporting period. Also, summary information on a Fund's *derivatives* positions, if any, may be obtained on our website at [www.fidelity.ca](http://www.fidelity.ca).

For more information about *derivative* risk, see ***What is a mutual fund and what are the risks of investing in a mutual fund?***

### **Precious metals and other commodities**

Certain Fidelity Funds may invest up to 10% of their net assets in gold and/or silver pursuant to regulatory relief obtained by the Fidelity Funds. 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

## Specific information about each of the mutual funds described in this document (*continued*)

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.

Certain Fidelity Funds may invest, in aggregate, up to 10% of their net assets in gold and/or silver, on an unlevered or a leveraged basis, and/or in other physical commodities on an unlevered basis pursuant to regulatory relief obtained by the Fidelity Funds. These investments are made through *Gold/Silver ETFs* and/or other *Commodity ETFs*. *Commodity ETFs* are *ETFs* that seek to replicate the performance of either one or more physical commodities, other than gold or silver, or an index that seeks to replicate the performance of such physical commodities. *Commodity ETFs* may invest directly or indirectly in the physical commodities, or *derivatives* the underlying interest of which is such physical commodities. Pursuant to the regulatory relief obtained, no more than 2.5% of the net assets of the Fidelity Fund may be invested in any one commodity sector, other than gold and/or silver. For this purpose, the relevant commodity sectors are energy, grains, industrial metals, livestock, precious metals other than gold and silver, and softs (i.e., cocoa, cotton, coffee, and sugar). In addition, no more than 10% of the net assets of the Fidelity Fund can be invested, in aggregate, in *Gold/Silver ETFs*, *Commodity ETFs*, leveraged *ETFs* and inverse *ETFs*.

For more information about commodity risk, see ***What is a mutual fund and what are the risks of investing in a mutual fund?***

### ***Three-tier funds***

Certain Fidelity Funds have received an exemption to allow them to invest directly or indirectly in *underlying funds* managed by Fidelity and these *underlying funds* may, in turn, hold directly or indirectly more than 10% of their net assets in securities of other funds that we manage.

### ***Investments in securities issued by substantial security holders***

The Fidelity Funds have received regulatory approval to invest in debt securities issued by a “substantial security holder” of a Fidelity Fund. Substantial security holders are persons or companies that hold voting securities of a Fidelity Fund that represent more than 20% of the voting

rights of that Fidelity Fund. Certain conditions must be met, including the approval of the Independent Review Committee or *IRC* of the Fidelity Funds.

### ***Cleared swaps***

The Fidelity Funds that use *derivatives* have received an exemption from the *counterparty* credit rating requirement, the *counterparty* exposure threshold, and the custodial requirements set out in *NI 81-102* in order to permit these Fidelity Funds to clear certain swaps, such as interest rate and credit default swaps, through futures commission merchants that are subject to U.S. or European clearing requirements. These Fidelity Funds can also deposit cash and other assets as margin for such swaps provided that certain conditions are satisfied.

### ***Foreign government securities***

Fidelity has obtained approval from securities regulatory authorities, for a global or international bond fund to invest:

- Up to 20% of its net assets, taken at market value at the time of purchase, in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by permitted supranational agencies (as defined in *NI 81-102*) or governments (other than the Government of Canada, the government of a province or territory of Canada, or the Government of the United States) and are rated “AA” by Standard & Poor’s, or have an equivalent rating by one or more other designated rating organizations.
- Up to 35% of its net assets, taken at market value at the time of purchase, in evidences of indebtedness of any one issuer, if those securities are issued by issuers described above and are rated “AAA” by Standard & Poor’s, or have an equivalent rating by one or more other designated rating organizations.

In terms of this approval:

- The two limits may not be combined for one issuer.
- The securities that are purchased must be traded on a mature and liquid market.

The acquisition of the securities purchased must be consistent with the fundamental investment objectives of the Fund.

For more information on these and other exemptions that have been granted to the Fidelity Funds, and the applicable conditions, see the Funds' annual information form.

### **About the Fidelity ClearPath® Retirement Portfolios**

Fidelity ClearPath® 2060 Portfolio is offered under this simplified prospectus. The following twelve Fidelity ClearPath® Retirement Portfolios are offered under a separate simplified prospectus:

Fidelity ClearPath® 2005 Portfolio  
Fidelity ClearPath® 2010 Portfolio  
Fidelity ClearPath® 2015 Portfolio  
Fidelity ClearPath® 2020 Portfolio  
Fidelity ClearPath® 2025 Portfolio  
Fidelity ClearPath® 2030 Portfolio  
Fidelity ClearPath® 2035 Portfolio  
Fidelity ClearPath® 2040 Portfolio  
Fidelity ClearPath® 2045 Portfolio  
Fidelity ClearPath® 2050 Portfolio  
Fidelity ClearPath® 2055 Portfolio  
Fidelity ClearPath® Income Portfolio

The Fidelity ClearPath® Portfolios are designed to assist investors to plan for their retirement, and are structured and managed around an approximate date, as indicated in the Funds' names: 2010, 2020, and so on. We call this the *target date*, and it refers to the approximate year an investor in a Fidelity ClearPath® Portfolio would plan on retiring. The Fidelity ClearPath® Portfolios are designed for investors who plan on maintaining their investment, or withdrawing their investment gradually, following their retirement.

The Fidelity ClearPath® Retirement Portfolios seek to achieve their returns by investing primarily in *underlying funds*. The *underlying funds*, in turn, generally invest in any of Canadian, U.S. and international equity and *fixed income securities*, and *money market investments*, including but not limited to cash, short-term bonds and *ETFs*. Investing in

different types of investments is referred to as *asset allocation*.

The portfolio management team rebalances the portfolio of each Fidelity ClearPath® Portfolio to ensure that its investments remain approximately in the targeted *asset allocation* percentages. By the nature of the Portfolios, targeted percentages change as the particular Portfolio nears its *target date*. Over time, the percentage of a Fidelity ClearPath® Portfolio's assets invested in equity securities tends to decrease, while its investments in *fixed income* and *money market investments* tends to increase. In this way, the investments become more conservative as each Fidelity ClearPath® Portfolio approaches its *target date*. The different types of investments that each Fidelity ClearPath® Portfolio invests in, and each Fidelity ClearPath® Portfolio's target *asset allocation*, are set out in its investment strategies.

Once the *target date* is reached, the process of investing the assets of each Fidelity ClearPath® Portfolio on a more conservative basis continues for a period of approximately twenty years, until its *asset allocation* is substantially similar to that of Fidelity ClearPath® Income Portfolio. When this happens, it is expected that each Fidelity ClearPath® Portfolio will, on prior notice to investors, and on a date determined by us, be combined with Fidelity ClearPath® Income Portfolio, and securityholders will then become securityholders of Fidelity ClearPath® Income Portfolio. Because of the more conservative nature of the investments held by Fidelity ClearPath® Income Portfolio, the risk of it losing money is lower than that of the other Fidelity ClearPath® Portfolios, which reduces your risk of losing money on your investment upon your retirement. There is no guarantee, however, that the Fidelity ClearPath® Portfolios will provide adequate income or capital at or through your retirement. Investors should note that each Fidelity ClearPath® Portfolio's expected target allocation to equity securities on or about its *target date* is approximately 49%, and its expected target allocation to equity securities on or about the date it is combined with Fidelity ClearPath® Income Portfolio is approximately 21%. The Fidelity ClearPath® Portfolios maintain this exposure to equity securities in order to provide the potential for some growth, with a view to helping investors protect the purchasing power of their investment during their retirement

Specific information about each of the mutual funds described in this document (*continued*)

years. However, a higher allocation to equity securities increases the risk that a Fidelity ClearPath® Portfolio could decline in value, perhaps substantially, as your retirement date approaches, or even following your retirement date.

The following table assists you in determining which Fidelity ClearPath® Portfolio you should invest in based on your current age, or intended year of retirement. This table is only intended as a guide, and it assumes retirement is taken between the ages 60 to 65.

Age of investor	Fund
20-25 years	Fidelity ClearPath® 2060 Portfolio
25-30 years	Fidelity ClearPath® 2055 Portfolio
30-35 years	Fidelity ClearPath® 2050 Portfolio
35-40 years	Fidelity ClearPath® 2045 Portfolio
40-45 years	Fidelity ClearPath® 2040 Portfolio
45-50 years	Fidelity ClearPath® 2035 Portfolio
50-55 years	Fidelity ClearPath® 2030 Portfolio
55-60 years	Fidelity ClearPath® 2025 Portfolio
60-65 years	Fidelity ClearPath® 2020 Portfolio
65-70 years	Fidelity ClearPath® 2015 Portfolio
70-75 years	Fidelity ClearPath® 2010 Portfolio
75-80 years	Fidelity ClearPath® 2005 Portfolio
80-85 years	Fidelity ClearPath® Income Portfolio

As noted, this is only intended as a guide. You should consult with your *financial advisor* regarding which Fidelity ClearPath® Portfolio is best suited to your personal retirement goals.

#### 4. What are the risks of investing in the fund?

This section sets out a risk checklist that tells you all of the risks of the Fund. For a complete description of each risk, see ***What is a mutual fund and what are the risks of investing in a mutual fund?***

#### 5. Who should invest in this fund?

When you're deciding on a Fund, it's important to find one that has the same investment goals that you do. This section tells you the kind of investor the Fund may be appropriate 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.

#### **Risk classification methodology**

The risk ratings referred to in this section help you decide, along with your *financial advisor*, whether a Fund is right for you. This information is only a guide. The investment risk level indicated for each Fund is required to be determined in accordance with the Canadian Securities Administrators (CSA) standardized risk classification methodology, which is based on the historical *volatility* of the Fund as measured by the 10-year annualized *standard deviation* of the returns of the Fund. *Standard deviation* is used to quantify the historical dispersion of returns around the average returns over a recent 10-year period. In this context, it can provide an indication of the amount of variability of returns that occurred relative to the average return over the 10-year measurement period. The higher the *standard deviation* of a Fund, the greater the range of returns it experienced in the past. In general, the greater the range of observed or possible returns, the higher the risk.

For Funds that do not have a 10-year return history, Fidelity calculates the investment risk level of each Fund by using the actual return history of the Fund, and imputing the return history of one or more reference indices for the remainder of the 10-year period. In the case where a Fund invests substantially all of its assets in one or more *underlying funds* that have existed for at least 10 years, Fidelity uses the returns of the *underlying fund(s)* to complete a 10-year return history of the Fund for the purpose of estimating its 10-year *standard deviation*. In the case where a Fund follows a substantially similar investment strategy of another Fidelity Fund that has been in existence for at least 10 years, Fidelity uses the returns of that Fidelity Fund to complete a 10-year return history of the Fund for the purpose of estimating its 10-year *standard deviation*.

Fidelity assigns a risk rating category that is at, or higher than, the applicable rating indicated by the *standard deviation* ranges in the CSA's standardized risk classification methodology, as outlined in the table below.

#### CSA *standard deviation* ranges and risk ratings

<i>Standard deviation</i> range	Risk rating
0 to less than 6	Low
6 to less than 11	Low to Medium
11 to less than 16	Medium

16 to less than 20	Medium to High
20 or greater	High

It is important to note that other types of risk, both measurable and non-measurable, may exist. It is also important to note that a Fund's historical *volatility* may not be indicative of its future *volatility*. Fidelity may exercise its discretion and assign a Fund a higher risk classification than indicated by the 10-year annualized *standard deviation* and the prescribed ranges if we believe that the Fund may be subject to other foreseeable risks that the 10-year annualized *standard deviation* does not reflect.

#### Reference index for each Fund

For Funds that do not have 10-years of historical returns, the following indices or combinations of indices were used as proxies for Fund returns for periods between the inception of the Fund and ten years prior to the inception of the Fund.

FUND	REFERENCE INDEX OR FIDELITY FUND
Fidelity Founders Class  Fidelity Founders Investment Trust	<ul style="list-style-type: none"> <li>Russell 3000 Index</li> </ul>
Fidelity Founders Currency Neutral Class	<ul style="list-style-type: none"> <li>Russell 3000 Index (Hedged to CAD)</li> </ul>
Fidelity ClearPath® 2060 Portfolio	<ul style="list-style-type: none"> <li>23.0% S&amp;P/TSX Capped Composite Index</li> <li>34.5% Russell 3000 Index</li> <li>34.5% MSCI EAFE + Emerging Markets Index</li> <li>8.0% FTSE TMX Canada Universe Bond Index</li> </ul>
Fidelity Emerging Markets Local Currency Debt Investment Trust	<ul style="list-style-type: none"> <li>J.P. Morgan Emerging Markets Bond Index Global Diversified Index</li> </ul>

#### Benchmark Definitions

The **FTSE TMX Canada Universe Bond Index** is capitalization-weighted, with more than 950 Canadian

bonds, and includes the highest quality bonds with terms-to-maturity of one to thirty years, designed to reflect the Canadian bond market.

The **JPM EMBI (“Emerging Markets Bond Index”)** is J.P. Morgan’s index of dollar-denominated sovereign bonds issued by a selection of emerging market countries and is the most widely used and comprehensive emerging market sovereign debt benchmark. The **J.P. Morgan EMBI Global Diversified Index** limits the weights of those index countries with larger debt stocks by only including a specified portion of those countries eligible current face amounts of debt outstanding.

The **MSCI EAFE + Emerging Markets Index** is an equity index which captures large and mid-cap representation across 21 developed markets countries and 23 emerging markets countries around the world.

The **Russell 3000 Index** measures the performance of the 3,000 largest U.S. companies based on the total market capitalization, which represents 98.0% of the investable U.S. equity market.

The **S&P/TSX Composite Index** is an index of stocks that are generally considered to represent the Canadian equity market. The S&P/TSX Capped Composite Index is the same as the S&P/TSX Composite index except that it is adjusted quarterly so that no single stock has a relative weight in the index greater than 10.0%.

*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, by sending us an email at [cs.english@fidelity.com](mailto:cs.english@fidelity.com) (for assistance in English) or [sc.francais@fidelity.com](mailto:sc.francais@fidelity.com) (for assistance in French), 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 payments of net income, capital gains, or returns of capital from the Fund. We may pay distributions at other times.

Distributions or *dividends* on Securities held in Fidelity registered plans are always reinvested in additional Securities of the same series of the same Fund.

Specific information about each of the mutual funds described in this document (*continued*)

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

Cash 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 distribution you request by cheque.

The *T-SWP® Series* make monthly return of capital distributions on the last business day of each month. Currently, only Fidelity Founders Class and Fidelity Founders Currency Neutral Class offer *T-SWP® Series*.

The monthly distributions on the *T-SWP® Series* are paid in cash unless you tell us in writing that you want them to be reinvested in additional Securities of the same series of the Fund.

For Series E1T5, E2T5, E3T5, F5, P1T5, P2T5, P3T5, S5 and T5 Securities, the aggregate monthly return of capital distributions that are made each year are expected to be between approximately 4% and 6% of the average net asset value of the applicable series of the Funds over that year.

The aggregate monthly return of capital distributions that are made on Series F8, S8 and T8 Securities each year are expected to be between approximately 6% and 10% of the average net asset value of the applicable series of the Funds over that year.

A return of capital distribution is not taxable, but reduces the adjusted cost base of your Securities. You should not confuse this cash flow distribution with a Fund's rate of return or yield.

You can find more information about distributions and adjusted cost base in the ***Income tax considerations for investors*** section.

## **7. Fund expenses indirectly borne by investors**

Each series of a Fund is responsible for its own expenses and its proportionate share of common Fund expenses that are not included as part of the *Administration Fee*. While you don't pay these costs directly, they reduce the Fund's return. The hypothetical example in this section helps you compare the expenses of the Fund to the costs of investing in other Funds. You can find more information about the costs of investing in the Funds in the ***Fees and expenses*** section.

The example shows the expenses you would pay if:

- You invested \$1,000 in the Fund for each period shown and paid the maximum sales charge.
- The Fund's return was 5% each year.
- You didn't use the 10% free amount described under the *deferred sales charge* option.
- The Fund paid the same *management expense ratio* or *MER* in all periods as it did in its last financial year.

We have not shown examples of these expenses because the Funds are new and have no historical fund expense information to disclose.

# Fidelity Founders Investment Trust\*

## Fund details

<b>Fund type</b>	Global equity fund
<b>Date started</b>	Series O– April 3, 2018
<b>Type of securities</b>	Series O** units of a mutual fund trust
<b>Eligibility for registered plans</b>	The units are not qualified investments for registered plans

\*Units of the Fund are only available for purchase by the Fidelity Funds and other funds and accounts managed or advised by Fidelity and are not available for public purchase.

\*\*This series can also be bought in U.S. dollars.

## What does the fund invest in?

### Investment objectives

The Fund aims to achieve long-term capital growth.

It invests primarily in equity securities of companies anywhere in the world, with an emphasis on U.S. equity securities. It seeks to identify investment opportunities in equity securities of founder-involved companies.

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

### Investment strategies

To meet the Fund's objectives, the portfolio management team:

- Invests in companies where the founder(s) of the company continue(s) to be involved in the company in some capacity, such as:
  - By being a member of the Company's senior management team or board of directors.
  - Through personal or family share ownership.
- Uses an investment strategy that combines bottom-up fundamental analysis and quantitative screening.
- Invests in companies believed to have above-average growth potential.
- When buying and selling equity securities, may consider other factors about a company, including:
  - Financial condition.
  - Industry position.

- Economic and market conditions.
- Strategy.
- Earnings outlook.
- For private companies, share price relative to potential public offering or acquisition price.

The Fund may also:

- Invest in companies of any size anywhere in the world.
- Invest in *fixed income securities* of any quality or term.
- Invest in non-founder-involved companies.
- Invest in securities of private companies.
- Hold cash.

In accordance with the limits, restrictions and requirements under applicable law, or as permitted under the terms of exemptive relief obtained from the Canadian securities regulators and described in **Specific information about each of the mutual funds described in this document**, the Fund and any underlying Fidelity Fund may:

- Engage in *securities lending, repurchase and reverse repurchase transactions*.
- Use *derivatives* for *hedging* and *non-hedging* purposes.
- Invest in gold and silver, and other instruments (such as *derivatives* and *ETFs*) that provide exposure to these metals.
- Invest in securities of *underlying funds* that are selected in accordance with the Fund's investment strategies.

The Fund may depart from its investment objectives or strategies by temporarily investing all or a portion of its assets in cash or *fixed income securities* issued or guaranteed by a Canadian or U.S. government, government agency or company. The portfolio management team may take this action to try to protect the Fund during a market downturn, or for other reasons.

The portfolio management team may actively trade the Fund's investments. This can increase trading costs, which lowers the Fund's returns. It also increases the possibility

## Fidelity Founders Investment Trust (continued)

that you receive capital gains distributions, which are taxable if you hold the Fund in a non-registered account.

### What are the risks of investing in the fund?

The checklist below shows you the risks that apply to the Fund. The risks without a bullet in either column are not a risk for the Fund. You'll find a complete description of each risk in ***What is a mutual fund and what are the risks of investing in a mutual fund.***

#### Risk Checklist

	Main risk	Additional risk
Asset-backed securities and mortgage-backed securities		
Commodity		●
Concentration		●
Credit		●
Currency	●	
Cyber security		●
Derivative		●
Equity	●	
ETF		●
Foreign investment	●	
Interest rate		●
Large transaction		●
Liquidity		●
Portfolio management		●
Repurchase transactions		●
Reverse repurchase transactions		●
Securities lending		●
Series/Class		
Short selling		
Small company		●
Specialization		●

### Who should invest in this fund?

You might want to consider the Fund if you plan to hold your investment for the long-term, want to gain global equity exposure with an emphasis on U.S. securities and can handle the *volatility* of returns generally associated with equity investments. The Fund is not an appropriate investment if you have a short term investment horizon.

To invest in the Fund, you should be able to accept a medium level of risk. For more information on how a fund's risk level is determined, see ***Specific information about each of the mutual funds described in this document.***

### Distribution policy

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

### Fund expenses indirectly borne by investors

The Fund is only available for purchase by the Fidelity Funds and other funds and accounts managed or advised by Fidelity, and does not pay management fees and advisory fees.

# Fidelity ClearPath® 2060 Portfolio

## Fund details

<b>Fund type</b>	Lifecycle fund		
<b>Date started</b>	Series A, B, E1, E2, F, O, P1 and P2 - April 3, 2018		
<b>Type of securities</b>	Series A, B, E1, E2, F, O, P1 and P2 units of a mutual fund trust		
<b>Eligibility for registered plans</b>	Expected to be a qualified investment for registered plans		
<b>Management and advisory fee and administration fee</b>	<b>Series</b>	<b>Management and advisory fee</b>	<b>Administration fee*</b>
	A	2.00%	0.255%
	B	1.85%	0.205%
	E1	1.825%	0.155%
	E2	1.80%	0.105%
	F	0.85%	0.200%
	P1	0.825%	0.150%
	P2	0.80%	0.100%

\*This is the *Administration Fee* if the Portfolio has less than \$100 million in net assets. If the Portfolio has between \$100 million and \$1 billion in net assets, the *Administration Fee* on each series is reduced by 0.01%. If the Portfolio has over \$1 billion in net assets, there is a further 0.01% reduction.

## What does the fund invest in?

### Investment objectives

The Portfolio aims to achieve high total investment return.

The Portfolio uses a dynamic *asset allocation* strategy and invests primarily in *underlying funds*. These *underlying funds* generally invest in equity securities, *fixed income securities* and/or *money market instruments*. From inception, through to its *target date* in 2060 and for a period of approximately 20 years thereafter, an increasing proportion of the Portfolio's assets are invested in securities of fixed income funds and money market funds. When the Portfolio's *asset allocation* is substantially similar to that of the Fidelity ClearPath® Income Portfolio, it is expected that the Portfolio will, on prior notice to investors, and on a date determined by Fidelity, be combined with Fidelity ClearPath® Income Portfolio and the Portfolio's unitholders will become unitholders of Fidelity ClearPath® Income Portfolio.

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

### Investment strategies

To meet the Portfolio's objectives, the portfolio management team:

- Invests primarily in *underlying funds*, including other Fidelity Funds and *ETFs*.
- Follows a *neutral mix* guideline of approximately 92% equity and 8% *fixed income*.
- Depending on market conditions, may vary the asset mix by up to +/-10% from the *neutral mix* if it believes this produces the best overall return.
- Manages the Portfolio in accordance with the Portfolio's current *neutral mix* of assets, which includes *underlying funds* that generally invest in equity securities, *fixed income securities*, and/or *money market investments*.
- Changes the *neutral mix* over time as the Portfolio's *target date* approaches and afterwards.
- Expects the *neutral mix*, on or about its *target date*, to be approximately 49% equity, 43% *fixed income*, and 8% *money market instruments* and short-term bonds, and on or about the time it is anticipated to combine with Fidelity ClearPath® Income Portfolio, to be approximately 21% equity, 35% *fixed income*, and 44% *money market instruments* and short-term bonds.
- May invest in *underlying funds* that invest in any kind of equity or *fixed income security*, or *money market instrument*, including *high yield securities* and other lower quality debt securities, and Canadian, U.S., or international securities.
- May change the *underlying funds* invested in, or the percentage of the Portfolio's assets invested in any particular *underlying fund*, at any time.

## Fidelity ClearPath® 2060 Portfolio (continued)

- Decides which asset class an *underlying fund* or security belongs to based on its investment characteristics.

The Portfolio may also hold cash.

In accordance with the limits, restrictions and requirements under applicable law, or as permitted under the terms of exemptive relief obtained from the Canadian securities regulators and described in **Specific information about each of the mutual funds described in this document**, the Portfolio and/or the *underlying funds* may:

- Engage in *securities lending, repurchase and reverse repurchase transactions*.
- Use *derivatives* for *hedging* and *non-hedging* purposes.
- Invest in gold and silver, and other instruments (such as *derivatives* and *ETFs*) that provide exposure to these metals.
- Invest in securities of *underlying funds* that are selected in accordance with the Fund's investment strategies.

The Portfolio may hedge some or all of its foreign currency exposure. The portfolio management team makes this decision as part of the implementation of the overall investment strategy of the Portfolio based on a number of factors, including its view of the relative investment merits of the particular foreign currency versus the Canadian dollar. The Portfolio's exposure to foreign currency varies based on the extent of its foreign currency denominated investments, as well as the extent to which the portfolio management team decides to hedge the Portfolio's currency exposure. The Portfolio's foreign currency exposure may change at any time, and without notice.

Certain of the *underlying funds* may from time to time invest in asset-backed securities and mortgage-backed securities.

The Portfolio and the *underlying funds* may depart from their investment objectives or strategies by temporarily investing all or a portion of their assets in cash or *fixed income securities* issued or guaranteed by a Canadian or U.S. government, government agency or company. The portfolio management team may take this action to seek protection during a market downturn, or for other reasons.

The portfolio management team of the Portfolio and the *underlying funds* may actively trade their investments. This can increase trading costs, which lowers returns. It also increases the possibility that you receive capital gains distributions, which are taxable if you hold the Portfolio in a non-registered account.

Additional information about the *underlying funds* is set out in their simplified prospectuses, annual information forms or other offering documents. You can get copies by contacting us or by asking your *financial advisor*.

Also see **Specific information about each of the mutual funds described in this document** for more information about the *Fidelity ClearPath® Retirement Portfolios* and their investment strategies.

## What are the risks of investing in the fund?

The checklist below shows you the risks that apply to the Portfolio. The risks without a bullet in either column are not a risk for the Portfolio. You'll find a complete description of each risk in **What is a mutual fund and what are the risks of investing in a mutual fund**.

### Risk Checklist

	Main risk	Additional risk
Asset-backed securities and mortgage-backed securities		●
Commodity		●
Concentration		
Credit		●
Currency	●	
Cyber security		●
Derivative		●
Equity	●	
ETF		●
Foreign investment	●	
Interest rate		●
Large transaction		●
Liquidity		●
Portfolio management		●
Repurchase transactions		●
Reverse repurchase		●

	Main risk	Additional risk
<i>transactions</i>		
<i>Securities lending</i>		●
Series/Class		●
Short selling		
Small company		●
Specialization		

## Who should invest in this fund?

You might want to consider the Portfolio if you are planning to retire around 2060, want to gain exposure to both equity and *fixed income securities*, want the convenience of a diversified portfolio in a single fund and can handle the *volatility* of returns generally associated with equity investments.

To invest in the Portfolio, you should be able to accept a medium level of risk. For more information on how a fund's risk level is determined, see ***Specific information about each of the mutual funds described in this document.***

## Distribution policy

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

Distributions on units held in Fidelity registered plans are always reinvested in additional units of the Portfolio. Distributions on units held in other registered plans or in non-registered accounts are reinvested in additional units of the Portfolio unless you tell us in writing that you want to receive them in cash.

For other options that may be available to you, see ***Specific information about each of the mutual funds described in this document.***

## Fund expenses indirectly borne by investors

This information has not been provided because the Fund is new, and has no historical fund expense information.

# Fidelity Emerging Markets Local Currency Debt Investment Trust\*

## Fund details

<b>Fund type</b>	Emerging markets debt fund
<b>Date started</b>	Series O – April 3, 2018
<b>Type of securities</b>	Series O** units of a trust
<b>Eligibility for registered plans</b>	The units are not qualified investments for registered plans

\*Units of the Fund are only available for purchase by the Fidelity Funds and other funds and accounts managed or advised by Fidelity and are not available for public purchase.

\*\*This series can also be bought in U.S. dollars.

## What does the fund invest in?

### Investment objectives

The Fund aims to provide a steady flow of income and the potential for capital gains.

It invests primarily in *fixed income securities* of issuers in *emerging market* countries. The Fund aims to invest in *fixed income securities* that are denominated in the local currency.

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

### Investment strategies

To meet the Fund's objectives, the portfolio management team:

- Allocates the Fund's assets among issuers in different *emerging market* countries, market sectors, like corporate or government securities, industries and maturities based on its view of the relative value of each country, sector, industry or maturity.
- When buying and selling *fixed income securities*, analyzes factors, such as:
  - A security's structural features.
  - Current price compared to long-term value.
  - Any short-term trading opportunities resulting from market inefficiencies.
  - Credit, currency and economic risks.
  - Country of the issuer.

The Fund may also:

- Invest in *fixed income securities* of any quality or term.
- Invest in *fixed income securities* and other securities of issuers that are economically tied to *emerging market* countries.
- Invest in *fixed income securities* that are not denominated in the local currency.
- Invest in securities of non-*emerging market* countries.
- Hold cash.

In accordance with the limits, restrictions and requirements under applicable law, or as permitted under the terms of exemptive relief obtained from the Canadian securities regulators and described in **Specific information about each of the mutual funds described in this document**, the Fund may:

- Engage in *securities lending*, *repurchase* and *reverse repurchase transactions*.
- Use *derivatives* for *hedging* and non-*hedging* purposes.
- Invest in securities of *underlying funds* that are selected in accordance with the Fund's investment strategies.
- Invest up to 20% of its net assets in securities issued or guaranteed by other governments or certain agencies rated "AA", or 35% of its net assets in securities issued or guaranteed by other governments or certain agencies rated "AAA".

There is no limit on how much the Fund can invest in securities issued or guaranteed by the Government of Canada, the government of the provinces or territories of Canada, or the Government of the United States, or any agency of the foregoing.

The Fund may depart from its investment objectives or strategies by temporarily investing all or a portion of its assets in cash or *fixed income securities* issued or guaranteed by a Canadian or U.S. government, government agency or company. The portfolio management team may take this action to try to protect the Fund during a market downturn, or for other reasons.

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

## What are the risks of investing in the fund?

The checklist below shows you the risks that apply to the Fund. The risks without a bullet in either column are not a risk for the Fund. You'll find a complete description of each risk in ***What is a mutual fund and what are the risks of investing in a mutual fund.***

### Risk checklist

	Main risk	Additional risk
Asset-backed securities and mortgage-backed securities		●
Commodity		●
Concentration	●	
Credit	●	
Currency	●	
Cyber security		●
Derivative		●
Equity		
ETF		●
Foreign investment	●	
Interest rate	●	
Large transaction		●
Liquidity	●	
Portfolio management		●
Repurchase transactions		●
Reverse repurchase transactions		●
Securities lending		●
Series/Class		
Short selling		
Small company		
Specialization	●	

## Who should invest in this fund?

You might want to consider the Fund if you plan to hold your investment for the long-term, want to gain exposure to

*emerging markets fixed income securities* that are denominated in the local currency and are seeking income from your investment and the potential for capital gains. The Fund is not an appropriate investment if you have a short-term investment horizon.

To invest in the Fund, you should be able to accept a medium level of risk. For more information on how a fund's risk level is determined, see ***Specific information about each of the mutual funds described in this document.***

## Distribution policy

The Fund generally distributes any net income at the end of each month. It distributes capital gains for the year in December of each year. The Fund may also pay distributions at other times during the year.

## Fund expenses indirectly borne by investors

The Fund is only available for purchase by the Fidelity Funds and other funds and accounts managed or advised by Fidelity, and does not pay management fees and advisory fees.

# Fidelity Founders Class

## Fund details

<b>Fund type</b>	Global equity fund
<b>Date started</b>	Series A, B, E1, E1T5, E2, E2T5, E3, E3T5, E4, E5, F, F5, F8, P1, P1T5, P2, P2T5, P3, P3T5, P4, P5, S5, S8, T5 and T8 – April 3, 2018
<b>Type of securities</b>	Series A *, B *, E1 *, E1T5 *, E2 *, E2T5 *, E3 *, E3T5 *, E4 *, E5 *, F *, F5 *, F8 *, P1 *, P1T5 *, P2 *, P2T5 *, P3 *, P3T5 *, P4 *, P5 *, S5 *, S8 *, T5 * and T8 * shares of a class of a mutual fund corporation

<b>Eligibility for registered plans</b>	Qualified investment for registered plans
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Management and advisory fee and administration fee	Series	Management and advisory fee	Administration fee**
	A, T5 and T8	2.00%	0.325%
	B, S5 and S8	1.85%	0.300%
	E1 and E1T5	1.825%	0.250%
	E2 and E2T5	1.80%	0.200%
	E3 and E3T5	1.775%	0.175%
	E4	1.725%	0.175%
	E5	1.675%	0.175%
	F, F5 and F8	0.85%	0.250%
	P1 and P1T5	0.825%	0.200%
	P2 and P2T5	0.80%	0.150%
	P3 and P3T5	0.775%	0.125%
	P4	0.725%	0.125%
	P5	0.675%	0.125%

\*This series can also be bought in U.S. dollars.

\*\*This is the *Administration Fee* if the Fund has less than \$100 million in net assets. If the Fund has between \$100 million and \$1 billion in net assets, the *Administration Fee* on each series is reduced by 0.01%. If the Fund has over \$1 billion in net assets, there is a further 0.01% reduction.

## What does the fund invest in?

### Investment objectives

The Fund aims to achieve long-term capital growth.

It seeks a similar return to its *underlying fund*, which is also managed by Fidelity, by investing substantially all of its assets in securities of that fund. The *underlying fund* aims to achieve long-term capital appreciation by investing primarily in equity securities of companies anywhere in the

world, with an emphasis on U.S equity securities. It seeks to identify investment opportunities in equity securities of founder-involved companies.

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

### Investment strategies

The strategies described below relate to the Fund and the *underlying fund*, Fidelity Founders Investment Trust.

To meet the Fund's objectives, the portfolio management team of the *underlying fund*:

- Invests in companies where the founder(s) of the company continue(s) to be involved in the company in some capacity, such as:
  - By being a member of the Company's senior management team or board of directors.
  - Through personal or family share ownership.
- Uses an investment strategy that combines bottom-up fundamental analysis and quantitative screening.
- Invests in companies believed to have above-average growth potential.
- When buying and selling equity securities, may consider other factors about a company, including:
  - Financial condition.
  - Industry position.
  - Economic and market conditions.
  - Strategy.
  - Earnings outlook.
  - For private companies, share price relative to potential public offering or acquisition price.

The *underlying fund* may also:

- Invest in companies of any size anywhere in the world.
- Invest in *fixed income securities* of any quality or term.
- Invest in non-founder-involved companies.

- Invest in securities of private companies.
- Hold cash.

In accordance with the limits, restrictions and requirements under applicable law, or as permitted under the terms of exemptive relief obtained from the Canadian securities regulators and described in **Specific information about each of the mutual funds described in this document**, the Fund and the *underlying fund*, as applicable may:

- Engage in *securities lending, repurchase and reverse repurchase transactions*.
- Use *derivatives* for *hedging* and *non-hedging* purposes.
- Invest in gold and silver, and other instruments (such as *derivatives* and *ETFs*) that provide exposure to these metals.
- Invest in securities of *underlying funds* that are selected in accordance with the Fund's investment strategies.

The Fund and the *underlying fund* may depart from their investment objectives or strategies by temporarily investing all or a portion of their assets in cash or *fixed income securities* issued or guaranteed by a Canadian or U.S. government, government agency or company. The portfolio management team may take this action to try to protect the Fund during a market downturn, or for other reasons.

The portfolio management team may actively trade the *underlying fund's* investments. This can increase trading costs, which lowers returns. It also increases the possibility that you receive capital gains distributions, which are taxable if you hold the Fund in a non-registered account.

## What are the risks of investing in the fund?

The checklist below shows you the risks that apply to the Fund. The risks without a bullet in either column are not a risk for the Fund. You'll find a complete description of each risk in **What is a mutual fund and what are the risks of investing in a mutual fund**.

### Risk Checklist

	Main risk	Additional risk
Asset-backed securities and mortgage-backed securities		
Commodity		●

	Main risk	Additional risk
Concentration		●
Credit		●
Currency	●	
Cyber security		●
<i>Derivative</i>		●
Equity	●	
<i>ETF</i>		●
Foreign investment	●	
Interest rate		●
Large transaction		●
Liquidity		●
Portfolio management		●
<i>Repurchase transactions</i>		●
<i>Reverse repurchase transactions</i>		●
<i>Securities lending</i>		●
Series/Class		●
Short selling		
Small company		●
Specialization		●

## Who should invest in this fund?

You might want to consider the Fund if you plan to hold your investment for the long-term, want to gain global equity exposure with an emphasis on U.S. securities and can handle the *volatility* of returns generally associated with equity investments. The Fund is not an appropriate investment if you have a short term investment horizon.

To invest in the Fund, you should be able to accept a medium level of risk. For more information on how a fund's risk level is determined, see **Specific information about each of the mutual funds described in this document**.

## Distribution policy

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

*Dividends* on shares held in Fidelity registered plans are always reinvested in additional shares of the Fund. *Dividends* on shares held in other registered plans or in non-registered accounts are reinvested in additional shares of the Fund unless you tell us in writing that you want to receive them in cash. The monthly distributions on the *T-SWP® Series* are paid in cash unless you tell us in writing that you want them to be reinvested in additional shares of the Fund.

Fidelity Founders Class *(continued)*

For other options that may be available to you, see ***Specific information about each of the mutual funds described in this document.***

Fund expenses indirectly borne by investors

This information has not been provided because the Fund is new, and has no historical fund expense information.

# Fidelity Founders Currency Neutral Class

## Fund details

<b>Fund type</b>	Global equity fund
<b>Date started</b>	Series A, B, E1, E1T5, E2, E2T5, E3, E3T5, E4, E5, F, F5, F8, P1, P1T5, P2, P2T5, P3, P3T5, P4, P5, S5, S8, T5 and T8 – April 3, 2018
<b>Type of securities</b>	Series A, B, E1, E1T5, E2, E2T5, E3, E3T5, E4, E5, F, F5, F8, P1, P1T5, P2, P2T5, P3, P3T5, P4, P5, S5, S8, T5 and T8 shares of a class of a mutual fund corporation
<b>Eligibility for registered plans</b>	Qualified investment for registered plans

Management and advisory fee and administration fee	Series	Management and advisory fee	Administration fee*
	A, T5 and T8	2.00%	0.355%
	B, S5 and S8	1.85%	0.330%
	E1 and E1T5	1.825%	0.280%
	E2 and E2T5	1.80%	0.230%
	E3 and E3T5	1.775%	0.205%
	E4	1.725%	0.205%
	E5	1.675%	0.205%
	F, F5 and F8	0.85%	0.280%
	P1 and P1T5	0.825%	0.230%
	P2 and P2T5	0.80%	0.180%
	P3 and P3T5	0.775%	0.155%
	P4	0.725%	0.155%
	P5	0.675%	0.155%

\*This is the *Administration Fee* if the Fund has less than \$100 million in net assets. If the Fund has between \$100 million and \$1 billion in net assets, the *Administration Fee* on each series is reduced by 0.01%. If the Fund has over \$1 billion in net assets, there is a further 0.01% reduction.

## What does the fund invest in?

### Investment objectives

The Fund aims to achieve long-term capital growth.

It seeks a similar return to its *underlying fund*, which is also managed by Fidelity, by investing substantially all of its assets in securities of that fund. The *underlying fund* aims to achieve long-term capital appreciation by investing primarily in equity securities of companies anywhere in the world, with an emphasis on U.S. equity securities. It seeks

to identify investment opportunities in equity securities of founder-involved companies.

The Fund uses *derivatives* to try to minimize the exposure to currency fluctuations between foreign currencies in *developed markets* (such as the U.S. dollar, the Euro or the Yen) and the Canadian Dollar. The Fund may also hedge against other foreign currencies.

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

### Investment strategies

The strategies described below relate to the Fund and the *underlying fund*, Fidelity Founders Investment Trust.

To meet the Fund's objectives, the portfolio management team of the *underlying fund*:

- Invests in companies where the founder(s) of the company continue(s) to be involved in the company in some capacity, such as:
  - By being a member of the Company's senior management team or board of directors.
  - Through personal or family share ownership.
- Uses an investment strategy that combines bottom-up fundamental analysis and quantitative screening.
- Invests in companies believed to have above-average growth potential.
- When buying and selling equity securities, may consider other factors about a company, including:
  - Financial condition.
  - Industry position.
  - Economic and market conditions.
  - Strategy.
  - Earnings outlook.
  - For private companies, share price relative to potential public offering or acquisition price.

## Fidelity Founders Currency Neutral Class (continued)

The *underlying fund* may also:

- Invest in companies of any size anywhere in the world.
- Invest in *fixed income securities* of any quality or term.
- Invest in non-founder-involved companies.
- Invest in securities of private companies.
- Hold cash.

In accordance with the limits, restrictions and requirements under applicable law, or as permitted under the terms of exemptive relief obtained from the Canadian securities regulators and described in ***Specific information about each of the mutual funds described in this document***, the Fund and the *underlying fund*, as applicable may:

- Engage in *securities lending, repurchase and reverse repurchase transactions*.
- Use *derivatives* for *hedging* and non-*hedging* purposes.
- Invest in gold and silver, and other instruments (such as *derivatives* and *ETFs*) that provide exposure to these metals.
- Invest in securities of *underlying funds* that are selected in accordance with the Fund's investment strategies.

The Fund uses forward contracts to hedge as completely as possible against fluctuations caused by changes in exchange rates between *developed market* foreign currencies and the Canadian dollar. Therefore, generally, the Fund does not benefit from an increase in the value of foreign currencies against the Canadian dollar.

The Fund and the *underlying fund* may depart from their investment objectives or strategies by temporarily investing all or a portion of their assets in cash or *fixed income securities* issued or guaranteed by a Canadian or U.S. government, government agency or company. The portfolio management team may take this action to try to protect the Fund during a market downturn, or for other reasons.

The portfolio management team may actively trade the *underlying fund's* investments. This can increase trading costs, which lowers returns. It also increases the possibility that you receive capital gains distributions, which are taxable if you hold the Fund in a non-registered account.

## What are the risks of investing in the fund?

The checklist below shows you the risks that apply to the Fund. The risks without a bullet in either column are not a risk for the Fund. You'll find a complete description of each risk in ***What is a mutual fund and what are the risks of investing in a mutual fund***.

### Risk Checklist

	Main risk	Additional risk
Asset-backed securities and mortgage-backed securities		
Commodity		●
Concentration		●
Credit		●
Currency		●
Cyber security		●
<i>Derivative</i>	●	
Equity	●	
<i>ETF</i>		●
Foreign investment	●	
Interest rate		●
Large transaction		●
Liquidity		●
Portfolio management		●
<i>Repurchase transactions</i>		●
<i>Reverse repurchase transactions</i>		●
<i>Securities lending</i>		●
Series/Class		●
Short selling		
Small company		●
Specialization		●

## Who should invest in this fund?

You might want to consider the Fund if you plan to hold your investment for the long-term, want to gain global equity exposure with an emphasis on U.S. securities while seeking to lower your risk of currency fluctuations between *developed market* foreign currencies and the Canadian dollar and can handle the *volatility* of returns generally associated with equity investments. The Fund is not an appropriate investment if you have a short term investment horizon.

To invest in the Fund, you should be able to accept a medium level of risk. For more information on how a fund's risk level is determined, see ***Specific information about each of the mutual funds described in this document***.

## Distribution policy

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

*Dividends* on shares held in Fidelity registered plans are always reinvested in additional shares of the Fund. *Dividends* on shares held in other registered plans or in non-registered accounts are reinvested in additional shares of the Fund unless you tell us in writing that you want to receive them in cash. The monthly distributions on the *T-SWP<sup>®</sup> Series* are paid in cash unless you tell us in writing that you want them to be reinvested in additional shares of the Fund.

For other options that may be available to you, see ***Specific information about each of the mutual funds described in this document.***

## Fund expenses indirectly borne by investors

This information has not been provided because the Fund is new, and has no historical fund expense information.

# Glossary

**Administration Fee** is a fixed rate administration fee that is paid by all of the Funds. For each series of the Funds, except Series O, Fidelity pays all of the operating costs (including for services provided by Fidelity and/or its affiliates), except for *Fund Costs*, in exchange for the Administration Fee. Series O Securities are only charged *Fund Costs*.

**AIS** is the *PFIC* annual information statement.

**asset allocation** refers to investing in different types of investments and asset classes.

**Commodity ETFs** are *ETFs* that seek to replicate the performance of one or more physical commodities, other than gold or silver, or of an index that tracks such performance.

**convertible securities** are bonds, preferred stocks, and other securities that pay interest or *dividends* and are convertible into common stocks or for value equivalent to those common stocks. In general, a convertible security performs more like a stock when the underlying stock's price is high (because it is assumed that it will be converted into the stock) and more like a bond when the underlying stock's price is low (because it is assumed that it will mature without being converted).

**counterparty** is the other party to a *derivatives* contract.

**CRA** is the Canada Revenue Agency.

**dealer** is the company or partnership that employs your *financial advisor*.

**deferred sales charge** is the percentage of the redemption amount that you pay to Fidelity when you redeem your Securities within a specified number of years.

**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 the underlying interest, such as interest rates, securities prices, or currency exchange rates.

**developed market** is a country that is most developed in terms of its economy and capital markets. The country must be high income, but this also includes openness to foreign ownership, ease of capital movement, and efficiency of market institutions. This term is contrasted with developing market

(*emerging markets* and *frontier markets* are types of developing markets).

**diversification** means owning several different investments at once.

**dividends** are the portion of any profit a company earns that are paid to you when you invest in equity securities of that company.

**emerging market** includes countries that have an emerging stock market as defined by MSCI Inc., countries or markets with low- to middle-income economies as classified by the World Bank, and other countries or markets with similar emerging characteristics.

**ETF** is an exchange-traded fund.

**fair value pricing** is the method used to determine value if the price is not a true reflection of the value of the security.

**fee distribution** is a special distribution that a Trust Fund makes to investors, unless they hold Series E or P Securities. We reduce the fees we would otherwise charge the Trust Fund and the Trust Fund will make a distribution equal to the amount of such reduction to the investor. The fee distribution is paid first out of net income and net realized capital gains of the Trust Fund, and then out of the capital of the Trust Fund. Fee distributions are automatically reinvested in additional Securities of the relevant series of the Trust Fund, and are not paid to investors in cash.

**fee rebate** is a special rebate that the Class Fund makes to investors, unless they hold Series E or P Securities. We reduce the fees we would otherwise charge the Class Fund and the fee rebate is equal to such amount. Fee rebates are automatically reinvested in additional Securities of the relevant series of the Class Fund, and are not paid to investors in cash.

**Fidelity Preferred Program** The program is available to Series B, S5, F and F5 securityholders who qualify to be automatically switched by Fidelity into Series E or P Securities based on their total eligible investments in Fidelity Funds. Series E and P Securities have lower combined management and administration fees than Series B, S5, F and F5 Securities. Currently, you may be eligible for the program if your holdings in Fidelity Funds exceed \$250,000 for an individual or \$500,000 for a Series E/P financial group.

**financial advisor** is the individual with whom you consult for investment advice.

**fixed income securities** are the obligations of an issuer to repay a sum of money, usually with interest.

**floating rate debt instruments** are debt securities issued by companies or other entities with floating interest rates that reset periodically. Most floating rate debt instruments are secured by specific collateral of the borrower, and are senior to most other securities of the borrower (e.g., common stock or debt instruments) in the event of bankruptcy. Floating rate debt instruments are often issued in connection with recapitalizations, acquisitions, leveraged buyouts, and refinancings. Floating rate debt instruments are typically structured and administered by a financial institution that acts as the agent of the investors investing in the floating rate debt instruments. Floating rate debt instruments may be acquired directly through the agent, as an assignment from another investor who holds a direct interest in the floating rate debt instrument, or as a participation interest in another investor's portion of the floating rate debt instrument.

**frontier markets** include countries that are not as developed as *emerging markets* in regions and continents, such as Africa, the Middle East, Asia, Central and Eastern Europe and Latin America, and/or are not included in the *MSCI All Country World Index*, which contains all of the countries that MSCI Inc. has classified as either a *developed market* or an *emerging market*.

**Fund Costs** are certain costs that are not included in the *Administration Fee*. Each series is responsible for its proportionate share of common fund costs.

**Gold/Silver ETFs** are *ETFs* that seek to replicate the performance of gold, silver, or both, or of an index that tracks such performance.

**hedging** is when mutual funds use derivatives to help offset losses that other investments might suffer because of changes in stock prices, commodity prices, interest rates, or currency exchange rates.

**high yield securities** are higher yielding, lower quality *fixed income 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.

**IRC** is the independent review committee, which is the fund governance agency for the Fidelity Funds, as contemplated by *NI 81-107*.

**initial sales charge** is the percentage of the purchase price you pay when you buy certain series of mutual fund Securities.

**investment grade** is the credit quality of a company or government that issues *fixed income securities*. Credit quality is a measure of the issuer's ability to pay interest and repay principal on time. The higher the credit quality of an issuer, the more likely the *fixed income securities* it issues is classified as investment grade. Professional rating agencies measure the credit quality of issuers. For instance, Standard & Poor's classifies bonds it rates BBB- or higher to be investment grade bonds.

**LAP financial group** is accounts held by related persons living at the same address, and includes accounts in the names of companies for which one or more members of the LAP financial group are beneficial owners of greater than 50% of the voting equity.

**Large Account Program** or **LAP** is a program we offer to large investors. Under this program, our decision to reduce the typical fees depends on a number of factors, including the size of the investment and the investor's total investments with us. We currently only consider an investor a "large investor" if the holdings with Fidelity are a minimum of \$250,000 individually, or \$500,000 for a *LAP financial group*.

**liquid** means that 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. Unlike some other kinds of investments, mutual funds are liquid.

**management expense ratio** or **MER** is the management fee and certain operating expenses divided by the mutual fund's average net asset value for the year.

**money market instrument** is an investment that the government or company agrees to pay back within a year or less. Examples are short-term bonds and government treasury bills.

**MSCI All Country World Index** is made up of over 2,200 companies in both *developed* and *emerging markets*, divided into eleven sectors based on the Global Industry Classification Standard.

**NI 81-102** is National Instrument 81-102 *Investment Funds*.

**NI 81-107** is National Instrument 81-107 *Independent Review Committee for Investment Funds*.

**non-investment grade** are higher yielding, lower quality *fixed income securities*. *Fixed income securities* of lower quality have lower credit ratings. For example, bonds rated below BBB- by Standard & Poor's are considered non-investment grade securities.

**PFIC** is the Passive Foreign Investment Company rules.

## Glossary (*continued*)

**QEF** is a Qualified Electing Fund.

**repurchase transaction** is where a mutual fund sells a security to another party for cash and agrees to buy the same security back from the same party for cash.

**reverse repurchase transaction** is when 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.

**risk tolerance** is the amount of risk you are willing to take with your investment.

**Sales Tax** is harmonized sales tax and other applicable taxes that the management and advisory fees, *administration fees* and most of the *Fund Costs* are subject to.

**securities lending transaction** 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.

**standard deviation** is one of the most widely accepted ways to quantify the *volatility* of investment returns.

**Tax Act** is the *Income Tax Act* (Canada).

**T-SWP® Series** refers to Series E1T5, E2T5, E3T5, E4T5, E5T5, F5, F8, P1T5, P2T5, P3T5, P4T5, P5T5, S5, S8, T5 and T8 Securities of the Funds collectively.

**underlying funds** are funds in which the Funds may invest, including *ETFs* managed by third parties or other Fidelity entities and other funds managed by Fidelity.

**volatility** is swings in the prices of investments. 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.

# Fidelity® Funds and Fidelity® Capital Structure Corp.

You can find additional information about each Fund in its annual information form and its most recently filed fund facts, annual and interim management reports of fund performance and annual and 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, by sending us an e-mail at [cs.english@fidelity.com](mailto:cs.english@fidelity.com) (for assistance in English) or [sc.francais@fidelity.com](mailto:sc.francais@fidelity.com) (for assistance in French) 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](http://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](http://www.fidelity.ca) and at [www.sedar.com](http://www.sedar.com).

## Equity Fund

### **Global Equity Fund**

Fidelity Founders Investment Trust	Series O units
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### **Fidelity ClearPath® Retirement Portfolio**

Fidelity ClearPath® 2060 Portfolio	Series A, B, E1, E2, F, O, P1 and P2 units
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## Fixed Income Fund

### **Global Fixed Income Fund**

Fidelity Emerging Markets Local Currency Debt Investment Trust	Series O units
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## Equity Classes

### **Global Equity Classes**

Fidelity Founders Class*	Series A, B, E1, E1T5, E2, E2T5, E3, E3T5, E4, E5, F, F5, F8, P1, P1T5, P2, P2T5, P3, P3T5, P4, P5, S5, S8, T5 and T8 shares
Fidelity Founders Currency Neutral Class*	Series A, B, E1, E1T5, E2, E2T5, E3, E3T5, E4, E5, F, F5, F8, P1, P1T5, P2, P2T5, P3, P3T5, P4, P5, S5, S8, T5 and T8 shares

\* Class of Fidelity Capital Structure Corp.

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