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June 5, 2009

Office of Regulations and Interpretations
Employee Benefits Security Administration
Attn: Target Date Fund Joint Hearing
Room N-5655, U.S. Department of Labor
200 Constitution Avenue, NW
Washington, DC 20210

Re: File Number 4-582 Target Date Fund Joint Hearing - Request to Testify

Ladies and Gentlemen:

This letter requests the opportunity to testify at a public hearing to be held jointly by the Department of Labor (the "Department") and the Securities Exchange Commission (the "Commission") on issues relating to investments in target date funds and similar investment options by 401(k) plan participants and other investors. This request is submitted on behalf of the group of financial service companies for which FMR LLC is the parent corporation (collectively, "Fidelity"). Fidelity companies provide investment management, recordkeeping, benefit disbursement, communications and directed trustee and custodial services to thousands of retirement and welfare plans covering millions of participants.

The Agencies requested that people interested in testifying provide information on various issues relating to target date funds (TDFs). In the interest of time, the undersigned will focus on the following issues in the testimony to be presented:

- ✓ How TDF managers determine asset allocations and changes to asset allocations (including glide paths) over the course of the fund's operation
- ✓ How managers select and monitor underlying investments for TDFs

Fidelity was one of the first mutual fund firms to launch TDFs (designated as the Fidelity Freedom Funds) specifically designed to help meet investors' retirement needs, and it has become one of the largest providers in the market. The Fidelity Freedom Funds have helped investors save for retirement since their debut in October 1996. Therefore we would appreciate the opportunity to participate in the public hearing. As requested in the notice of the hearing, the following outline describes the topics to be discussed, as well as the time allocated to each topic:

I. How asset allocation is designed to change over time (5 minutes)

- a. Objective: Help investors achieve retirement security
- b. Challenges:
 - i. Companies are closing DB plans, and Social Security is under pressure – more responsibility on the individual
 - ii. Individuals do not save enough
 - iii. Individuals tend to make bad investment decisions when managing money on their own, both before and after retirement
- c. Solution:
 - i. Professionally managed fund option that is designed to help investors reach lifetime financial goals
 - ii. Age-appropriate asset allocation starts more aggressive and becomes more conservative over time in a disciplined manner
 - iii. Portfolios and underlying investments are diversified
 - iv. No asset allocation strategy can achieve the objective if individuals do not contribute enough - messaging to customers focuses on dollar cost averaging and saving frequently and consistently

II. Selecting and monitoring underlying investments (5 minutes)

- a. Portfolio diversification and style diversification across and within asset classes
- b. Institutional approach focused on risk management
- c. Regular monitoring and evaluation with changes made as categories evolve
- d. Strategy enhancements when in the long-term interest of shareholders

Fidelity appreciates the concerns regarding the portfolio construction and performance of these funds. Over the years we have deployed substantial resources and research towards developing products and tools to help Americans save and invest for retirement.

On behalf of Fidelity, thank you for your commitment to protect the retirement security of all Americans. We look forward to the opportunity to testify at the public hearing.

Respectfully,



Derek L. Young,
Chief Investment Officer, Global Asset Allocation Group
Fidelity Management & Research Co.