

## **Fidelity Go<sup>®</sup>**

### Program Fundamentals

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March 28, 2024

This brochure provides information about the qualifications and business practices of Strategic Advisers LLC ("Strategic Advisers"), a Fidelity Investments<sup>®</sup> company, as well as information about the Fidelity Go<sup>®</sup> program.

Throughout this brochure and related materials, Strategic Advisers refers to itself as a "registered investment adviser" or "being registered." These statements do not imply a certain level of skill or training.

Please contact us at 800.343.3548 with any questions about the contents of this brochure. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Strategic Advisers is available on the SEC's website at [adviserinfo.sec.gov](http://adviserinfo.sec.gov).



## SUMMARY OF MATERIAL CHANGES

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The SEC requires registered investment advisers to provide and deliver an annual summary of material changes to their advisory services program brochure (also referred to as the Form ADV Part 2A). The section below highlights only material revisions that have been made to the Fidelity Go® Program Fundamentals from May 10, 2023, through March 28, 2024. Clients and prospective clients can obtain a copy of the Program Fundamentals, without charge, by calling 800.343.3548, by visiting [Fidelity.com/information](https://Fidelity.com/information), or by visiting the SEC's website at [adviserinfo.sec.gov](https://adviserinfo.sec.gov). Capitalized terms are defined in the Program Fundamentals.

### Material Changes

- There have been no material changes since the September 28, 2023, Program Fundamentals.

### Other Changes

- "Advisory Business" has been updated to clarify that the Fidelity Go Program is made available to clients through the Fidelity Go website and Fidelity's mobile applications, to clarify that clients can choose from a list of available investment restrictions, and that any such restrictions will not apply to the underlying securities or holdings held in the mutual funds available in the Program.
- "Methods of Analysis, Investment Strategies and Risk of Loss" has been updated to clarify that the Flex Funds provide exposure to stocks, bonds, short-term investments, or a combination thereof, depending on the Flex Fund, and to provide further detail concerning the risk of loss associated with the discretionary investment management strategies implemented by Strategic Advisers.
- "Material Investment Risks" under "Methods of Analysis, Investment Strategies and Risk of Loss" has been updated to remove a statement that Fidelity's government and U.S. Treasury money market funds will temporarily suspend an investor's ability to sell shares under certain circumstances and to update information about error correction processes.
- Certain minor revisions have been made to the text that describes Strategic Advisers' affiliates in "Other Financial Industry Activities and Affiliations" and "Client Referrals and Other Compensation."
- "Custody" has been updated to clarify that Strategic Advisers is deemed to have custody because its affiliate serves as qualified custodian for the Program.

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## ADVISORY BUSINESS

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Strategic Advisers is a registered investment adviser and an indirect, wholly owned subsidiary of FMR LLC (collectively with Strategic Advisers and its affiliates, "Fidelity Investments," "Fidelity," "us," "our," or "we"). Strategic Advisers was formed in 1977 and serves as sub-advisor to its affiliate Fidelity Personal and Workplace Advisors LLC ("FPWA"), a registered investment adviser and an indirect, wholly owned subsidiary of FMR LLC, in connection with various investment advisory programs offered by FPWA, including the Fidelity Go® program (the "Program") described in this brochure. As such, Strategic Advisers will make the day-to-day trading decisions for all Program accounts and will receive a portion of the advisory fee clients pay to FPWA in connection with the Program. Important information regarding FPWA and the Program can be found in the FPWA Fidelity Go Program Fundamentals (the "FPWA Program Fundamentals").

Strategic Advisers provides a variety of investment management services, including discretionary portfolio management services to retail and institutional clients and nondiscretionary advisory services to certain institutional clients, including but not limited to Fidelity affiliates. This brochure provides information about Strategic Advisers' role only with respect to the Program. For additional information about services that Strategic Advisers provides, please see the relevant Strategic Advisers Form ADV Part 2A brochures.

As described in the FPWA Program Fundamentals, the Program is designed for a client ("client" or "you") who seeks a digital, discretionary investment management experience. The Program offers discretionary investment management based on clients' goals and objectives, as well as trading and custody services for Program accounts (each a "Program Account," and together "Program Accounts"). The Program's discretionary investment management services are made available through the Fidelity Go website and Fidelity's mobile applications (the "Program Website"), and there is no minimum to open a Program Account. To be eligible for financial planning available through the Program, you must invest and maintain a minimum of \$25,000 in at least one Program Account. More information regarding financial planning is available in the FPWA Program Fundamentals. A Program Account will not be invested according to your selected asset allocation strategy until the Program Account has a balance of at least \$10.

Strategic Advisers implements your selected asset allocation strategy for your Program Account. Your Program Account and each asset allocation strategy used in the Program will be invested in certain Fidelity Flex® mutual funds ("Flex Funds") that are available only to certain fee-based accounts offered by Fidelity. The Flex Funds are managed by Fidelity Management & Research Company LLC ("FMRCo") and its affiliates. Unlike many other mutual funds, the Flex Funds do not charge management fees or, with limited exceptions, fund expenses. Instead, compensation for access to the Flex Funds is paid out of the fees charged by Fidelity fee-based accounts that include Flex Funds as underlying investments, including the Program. In general, it is expected that your Program Account will be invested in approximately six to 12 Flex Funds.

Your Program Account will be periodically rebalanced to the portfolio identified for your selected asset allocation strategy. The specific Flex Funds or number of Flex Funds in which your Program Account is invested could change, and the underlying Flex Funds held in a Program Account can differ based on whether a Program Account is a taxable, health savings, or individual retirement account. For additional information about the Flex Funds selected for your Program Account, our use of the Flex Funds, and any associated risks, please see the section below entitled "Methods of Analysis, Investment Strategies and Risk of Loss" and the respective fund's prospectus.

A client can impose reasonable restrictions on the management of any Program Account. You can request a restriction from the list available on the Program Website. All requested investment restrictions are subject to our review and approval. If a restriction is accepted, Program Account assets will be invested in a manner that is appropriate given the restriction. Reasonable restrictions will not apply to the underlying securities or holdings that are held in the Flex Funds purchased in a Program Account. It is important to understand that imposing an investment restriction can delay the start of discretionary management on and can impact the performance of a Program Account, at times significantly, as compared with the performance of a Program Account managed without restrictions, possibly producing lower overall results. Not all requested restrictions

will be considered reasonable for each asset allocation strategy, and a previously accepted restriction will be removed if we change your asset allocation strategy to one for which that restriction is not considered reasonable. For Program Accounts that are not enrolled in Smart Shift, as described in the FPWA Program Fundamentals, any client-imposed restrictions will be removed if the client changes the asset allocation strategy for the Program Account, and the client can subsequently request new investment restrictions for the Program Account on the Program Website. You can reevaluate restrictions at any time.

As of December 31, 2023, Strategic Advisers' total assets under management were \$792,623,731,892 on a discretionary basis and \$32,116,364,923 on a nondiscretionary basis.

## **FEES AND COMPENSATION**

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You do not pay Strategic Advisers for the services it provides under the Program. Instead, as compensation for its discretionary portfolio management services provided to Program Accounts, Strategic Advisers receives a portion of the advisory fee paid to FPWA by Program clients pursuant to an agreement between FPWA and Strategic Advisers.

Your Program's advisory fee could be reduced by a credit amount if you elect to transfer securities to fund your Program Account. The credit amount reduces the advisory fees paid to FPWA by the amount of compensation, if any, FPWA and its affiliates retain that is derived as a direct result of investments imported into Program Accounts. As described above, Program Account assets will be invested in certain Flex Funds. The Flex Funds are not subject to the credit amount because Fidelity receives no fees from the Flex Funds for managing or handling the business affairs of the Flex Funds and pays the expenses of each fund, with the limited exceptions of expenses for typesetting, printing, and mailing proxy materials to shareholders, all other expenses incidental to holding meetings of the fund's shareholders (including proxy solicitation), fees and expenses of certain trustees, interest, taxes, and such non-recurring expenses as can arise, including costs of any litigation to which the fund can be a party, and any obligation it can have to indemnify its officers and trustees with respect to litigation. The fund shall also pay its non-operating expenses, including brokerage commissions and fees and expenses associated with the fund's securities lending program, if applicable. Instead, a portion of the Program's advisory fees will be allocated to access the Flex Funds in which Program Accounts will be invested. Please see the FPWA Program Fundamentals for information about Program fees and the application of the credit amount.

While you will not generally pay commissions for transactions executed through FPWA's affiliates, FPWA and its affiliates, including Strategic Advisers, incur costs to make the Flex Funds available to you and incur costs to execute transactions in your Program Account. This is a conflict of interest, as Strategic Advisers could be disincentivized to execute transactions in your Program Account. Strategic Advisers mitigates this conflict by aligning investment manager compensation to how closely an asset allocation strategy's performance matches its target baseline.

## **PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

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Strategic Advisers does not currently charge performance-based management fees for any of its advisory services and does not engage in side-by-side management with respect to the strategies employed for the Program.

## **TYPES OF CLIENTS**

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Strategic Advisers provides discretionary portfolio management services to clients enrolled in the Program. Please see the FPWA Program Fundamentals for information about the types of clients eligible for the Program.

## **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

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This section contains information about how Strategic Advisers provides discretionary portfolio management services to Program Accounts. As part of the Program's enrollment process, you will be required to provide us with certain initial information, and FPWA will apply a proprietary algorithm to identify one in a series of long-term asset allocation strategies for your Program Account. Strategic Advisers has been retained by FPWA to create portfolios for each asset allocation strategy and to invest Program Accounts in alignment with the respective portfolio. Each asset allocation strategy is comprised of Flex Funds, which provide exposure to a stocks, bonds, and short-term investments, or a combination thereof, depending on the particular Flex Fund, and is one in a series of asset allocations that range from conservative (i.e., a strategy that has a lower allocation to equities and a lower risk and return potential) to aggressive (i.e., a strategy that has a higher allocation to equities and a higher risk and return potential).

You can also provide FPWA with additional information about yourself, and providing the additional information will allow us to know you better and can impact the proposed asset allocation strategy. In the event that you do not provide additional information, FPWA will propose an asset allocation strategy for your Program Account using your initial information along with assumed responses based on information derived from investors in the Program and other Fidelity programs and services ("profiling assumptions"). A portion of the profiling assumptions for Program Accounts with a retirement goal are based on similarly aged investors in Fidelity programs and services, and a portion of the profiling assumptions for Program Accounts with other goals are based on investors in the Program with a similar investment time horizon. This means that the profiling assumptions will differ depending on the goal of your Program Account.

FPWA uses a proprietary framework based on aggregate investor data to inform our profiling assumptions. It is important to understand that the various profiling assumptions FPWA considers will vary over time and based on your goal. FPWA will periodically review and update the profiling assumptions based on the investor information we have in our database, and such updates will result in changes to the profiling assumptions that are used as part of your profile information. Please see the FPWA Program Fundamentals for information about how your profile information helps create your personal profile and will impact the asset allocation strategy that is proposed to you.

As part of the Program enrollment process, you can select the proposed asset allocation strategy or another asset allocation strategy that you believe is most appropriate for your situation, subject to certain constraints and limitations defined by FPWA. If you select an asset allocation strategy that differs from that originally suggested by FPWA, Strategic Advisers will provide discretionary management for your Program Account consistent with your selected asset allocation strategy. You should understand that the performance of a Program Account with a client-selected asset allocation strategy likely will differ, at times significantly, from the performance of a Program Account managed according to the asset allocation strategy originally proposed by FPWA. If you do not initiate a change to your asset allocation strategy, your Program Account's asset allocation strategy will not change unless the asset allocation strategy for the account is no longer appropriate based on your profile information.

If you select the asset allocation strategy that we recommend and enroll your Program Account in Smart Shift, we will change your asset allocation strategy over time based on your profile information, your investment goal and time horizon, and when you expect to begin withdrawing money from your account, among other factors. Please see the FPWA Program Fundamentals for more information about Smart Shift.

The Program is designed to provide investors with a portfolio of Flex Funds. For the equity and certain fixed income portions of a portfolio, Program Account assets will be invested in passively managed Flex Funds that seek to replicate the performance of relevant market indexes. Short-duration non-municipal fixed income and all municipal asset portions of a Program Account can be invested in both passively and actively managed Flex Funds. The Flex Funds are managed by affiliates of Strategic Advisers, including FMRCo. For additional

information about the Flex Funds selected for your Program Account and the associated risks, please see the respective fund's prospectus.

Program Accounts that have a more conservative asset allocation strategy will typically hold a higher percentage of bond funds than other Program Accounts. The specific mix of funds chosen will depend on the asset allocation strategy selected for your Program Account, could change over time in light of changes to your profile information, and could deviate at times from the asset allocation strategy you originally viewed as part of your Program's online enrollment process.

### **Additional Information about Strategic Advisers' Investment Practices**

Strategic Advisers generally uses both fundamental and quantitative investment strategies to manage Program Accounts. This involves both evaluating characteristics such as sector weightings, duration, valuation, and market capitalization, as well as focusing on key economic indicators and trends. When determining how to allocate assets among underlying mutual funds, Strategic Advisers considers a variety of objectives and subjective factors, including but not limited to proprietary fundamental and quantitative fund research, a manager's experience and investment style, fund availability, current public information about a fund, performance history, asset size, and portfolio turnover—and overall fit within Program Accounts. Strategic Advisers' investment professionals will obtain and use information from various sources to assist in making allocation decisions among asset classes, as well as decisions regarding the purchase and sale of specific mutual funds. Sources of information used include publicly available information and performance data on mutual funds, individual securities, equity markets, fixed income markets, international markets, and broad-based economic indicators. Strategic Advisers will use both primary sources (e.g., talking directly with managers) and secondary sources (reports prepared by fund companies and other sources that provide data on specific fund investment strategies, portfolio management teams, fund positioning, portfolio risk characteristics, performance attribution, and historical fund returns) as inputs into its investment process. However, as described earlier in this brochure, Program Account assets will be invested in certain Flex Funds.

Strategic Advisers does not seek access to material nonpublic information on any investment used by the Program. With respect to Fidelity Funds used by the Program, the investment team at Strategic Advisers that manages Program Accounts does not have access to material nonpublic information of the Fidelity Funds.

If, based on the information you provide, FPWA determines that your Program Account requires modification to its asset allocation strategy, Strategic Advisers will generally make such changes as soon as reasonably possible, even if such changes trigger additional trading or, in the case of taxable accounts, significant tax consequences.

When investing in Fidelity Funds, Strategic Advisers from time to time consults the fund manager to understand the manager's guidelines concerning general limitations, if any, on the aggregate percentage of fund shares that can be held under management by Strategic Advisers on behalf of all its clients. Funds are not required to accept investments and can limit how much Strategic Advisers can purchase. Additionally, Strategic Advisers can establish internal limits on how much it invests in any one fund across the programs it manages. Regulatory restrictions sometimes limit the amount that one fund can invest in another, which means Strategic Advisers could be limited in the amount it can invest in any particular fund. Strategic Advisers will work closely with fund management to minimize the impact of its reallocation activity on acquired funds. In certain situations, liquidating positions in underlying funds will be accomplished over an extended period of time as a result of operational considerations, legal considerations, or input from underlying fund managers. To the extent that a Program Account already owns securities that directly or indirectly contribute to an ownership threshold being exceeded, securities held in such a Program Account could be sold to bring account-level and/or aggregate ownership below the relevant threshold. In the event that any such sales result in realized losses for a Program Account, that Program Account will bear such losses depending on the particular circumstances.



From time to time, Strategic Advisers and/or its affiliates can determine that, as a result of regulatory requirements that apply to Strategic Advisers and/or its affiliates due to investments in a particular country or in an issuer operating in a particular regulated industry, investments in the securities of issuers domiciled or listed on trading markets in that country or operating in that regulated industry above certain thresholds are impractical or undesirable. The foregoing limits and thresholds could apply at the Program Account level or in the aggregate across all accounts (or certain subsets of accounts) managed, sponsored, or owned by, or otherwise attributable to, Strategic Advisers and its affiliates. For investment risk management and other purposes, Strategic Advisers and its affiliates also generally apply internal aggregate limits on the amount of a particular issuer's securities owned by all such accounts, including funds managed by Strategic Advisers and its affiliates. In such instances, investment flexibility will be restricted, and Strategic Advisers could limit or exclude a client's investment in a particular issuer, which can also include investment in related derivative instruments.

### **Material Investment Risks**

In general, all the portfolios managed by Strategic Advisers in the Program are subject to the list of investment risks discussed below. However, investment strategies that have higher concentrations of equity will have greater exposure to the risks associated with equity investments, such as stock market volatility and foreign exposure. On the other hand, investment strategies that have higher exposure to fixed income will have greater exposure to the risks associated with those products, such as credit risk and bond investment risk.

**Risk of Loss.** The discretionary investment management strategies implemented by Strategic Advisers for Program clients, including conservative investments, involve risk of loss. Investments in a Program Account are not bank deposits and are not insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC") or any other government agency. All investments involve risk, the degree of which varies significantly. Investment performance can never be predicted or guaranteed, and the value of your assets will fluctuate due to market conditions and other factors. You could lose money by investing in mutual funds. You could lose money by investing in a Program Account.

Many factors affect each investment's or Program Account's performance and potential for loss. Strategies that pursue investments in equities will be subject to stock market volatility, and strategies that pursue fixed income investments (such as bond or money market funds) will see values fluctuate in response to changes in interest rates. Developments that disrupt global economies and financial markets, such as wars, acts of terrorism, the spread of infectious illness or other public health issues, recessions, or other events can magnify factors that affect performance. All strategies are ultimately affected by impacts to the individual issuers, such as changes in an issuer's financial condition, or changes in tax, regulatory, market, or economic developments. Nearly all investments or accounts are subject to volatility in non-U.S. markets, through either direct exposure or indirect effects in U.S. markets from events abroad. Those investments and accounts that are exposed to emerging markets are potentially subject to heightened volatility from greater social, economic, regulatory, and political uncertainties, as the extent of economic development, political stability, market depth, infrastructure, capitalization, and regulatory oversight can be less than in more developed markets.

In addition, investments in the mutual funds in a Program Account could be subject to the following risks:

**Investing in Mutual Funds.** Your Program Account bears all the risks of the investment strategies employed by the mutual funds held in your Program Account, including the risk that a mutual fund will not meet its investment objectives. For the specific risks associated with a mutual fund, please see its prospectus.

**Money Market Funds.** Cash balances in Program Accounts will be invested in the core Fidelity money market fund, the cash sweep vehicle for the Program. A client could lose money by investing in a money market fund. Although a money market fund seeks to preserve the value of a client's investment at \$1.00 per share, it cannot guarantee it will do so. An investment in a money market fund is not a bank account and is not insured or guaranteed by the FDIC or any other government agency. Fidelity, the sponsor of Fidelity's money market funds, is not required to reimburse money market funds for losses, and a client should not expect that Fidelity will provide financial support to a Fidelity money market fund at any time, including during periods of market



stress. Fidelity's government and U.S. Treasury money market funds will not impose a fee upon the sale of a client's shares.

**Quantitative Investing.** Funds or securities selected using quantitative analysis can perform differently from the market as a whole as a result of the factors used in the analysis, the weight placed on each factor, changes to the factors' behavior over time, market volatility, or the quantitative model's assumption about market behavior. In addition, Strategic Advisers' quantitative investment strategies rely on algorithmic processes and therefore are subject to the risks described below under the heading "Operational Risks."

**Stock Investments.** Stock markets are volatile and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Different parts of the market can react differently to these developments. Value and growth stocks can perform differently from other types of stocks. Growth stocks can be more volatile. Value stocks can continue to be undervalued by the market for long periods of time. In addition, stock investments are subject to risk related to market capitalization as well as company-specific risk.

**Bond Investments.** In general, the bond market is volatile, and fixed income securities carry interest rate risk. As interest rates rise, bond prices usually fall, and vice versa. This effect is usually more pronounced for longer-term securities. During periods of very low or negative interest rates, we could be unable to maintain positive returns on bond investments. Very low or negative interest rates can magnify interest rate risk for the markets as a whole and for individual bond investments. Changing interest rates, including rates that fall below zero, can also have unpredictable effects on markets and can result in heightened market volatility. The ability of an issuer of a bond to repay principal before a security's maturity can cause greater price volatility, and, if a bond is prepaid, a bond fund could have to invest the proceeds in securities with lower yields. Fixed income securities also carry inflation risk, as well as credit and default risks for both issuers and counterparties. The interest payments of inflation-protected bonds are variable and usually rise with inflation and fall with deflation. Unlike individual bonds, most bond funds do not have a maturity date, so holding them until maturity to avoid losses caused by price volatility is not possible. In addition, investments in certain bond structures are less liquid than other investments, and therefore are more difficult to trade effectively.

**Credit Risk.** Changes in the financial condition of an issuer or counterparty, and changes in specific economic or political conditions that affect a particular type of security or issuer, can increase the risk of default by an issuer or counterparty, which can affect a security's or instrument's credit quality or value. Lower-quality debt securities and certain types of other securities involve greater risk of default or price changes due to changes in the credit quality of the issuer.

**Municipal Bonds.** The municipal market can be significantly affected by adverse tax, legislative, or political changes, and by the financial condition of the issuers of municipal securities. Municipal funds normally seek to earn income and pay dividends that are expected to be exempt from federal income tax. If a fund investor is a resident in the state of issuance of the bonds held by the fund, interest dividends could also be exempt from state and local income taxes. Income exempt from regular federal income tax (including distributions from municipal and money market funds) can be subject to state, local, or federal alternative minimum tax. Certain funds normally seek to invest only in municipal securities generating income exempt from both federal income taxes and the federal alternative minimum tax; however, outcomes cannot be guaranteed, and the funds sometimes generate income subject to these taxes. For federal tax purposes, a fund's distribution of gains attributable to a fund's sale of municipal or other bonds is generally taxable as either ordinary income or long-term capital gains.

Redemptions, including exchanges, can result in a capital gain or loss for federal and/or state income tax purposes. Tax code changes could impact the municipal bond market. Tax laws are subject to change, and the preferential tax treatment of municipal bond interest income could be removed or phased out for investors at certain income levels. Because many municipal bonds are issued to finance similar projects, especially those relating to education, health care, transportation, and utilities, conditions in those sectors can affect the overall municipal market. Budgetary constraints of local, state, and federal governments on which the issuers

are relying for funding can also impact municipal bonds. In addition, changes in the financial condition of an individual municipal insurer can affect the overall municipal market, and market conditions can directly impact the liquidity and valuation of municipal bonds.

**Foreign Exposure.** Investing in foreign securities and securities of U.S. entities with substantial foreign operations are subject to interest rate, currency exchange rate, economic, tax, operational, regulatory, and political risks, all of which are likely to be greater in emerging markets. These risks are particularly significant for funds that focus on a single country or region or emerging markets. Foreign markets can be more volatile than U.S. markets and can perform differently from the U.S. market. Emerging markets can be subject to greater social, economic, regulatory, and political uncertainties and can be extremely volatile. Foreign exchange rates can also be extremely volatile. Foreign markets can also offer less protection to investors than U.S. markets. For example, foreign issuers are generally not bound by uniform accounting, auditing, and financial reporting requirements and standards of practice comparable to those applicable to U.S. issuers. Adequate public information on foreign issuers might not be available, and it could be difficult to secure dividends and information regarding corporate actions on a timely basis. Regulatory enforcement can be influenced by economic or political concerns, and investors could have difficulty enforcing their legal rights in foreign countries. Furthermore, investments in securities of foreign entities can result in clients owning an interest in a passive foreign investment company ("PFIC"). Clients holding an interest in a PFIC could be subject to additional tax liabilities and filing requirements as a result of such investments. The rules regarding investments in PFICs are complex, and clients are urged to consult their tax advisors.

**Derivatives.** Certain funds used by Strategic Advisers, including the Flex Funds, contain derivatives. Generally speaking, a derivative is a financial contract whose value is based on the value of a financial asset (such as a stock, bond, or currency), a physical asset (such as gold, oil, or wheat), or a market index (such as the S&P 500® Index). Investments in derivatives subject these funds to risks different from, and possibly greater than, those of the underlying securities, assets, or market indexes. Some forms of derivatives, such as exchange-traded futures and options on securities, commodities, or indexes, have been trading on regulated exchanges for decades. These types of derivatives are standardized contracts that can easily be bought and/or sold, and whose market values are determined and published daily. Nonstandardized derivatives (such as swap agreements), on the other hand, tend to be more specialized or complex and can be more difficult to value. Derivatives could involve leverage because they can provide investment exposure in an amount exceeding the initial investment. As a result, the use of derivatives can cause these funds to be more volatile, because leverage tends to exaggerate the effect of any increase or decrease in the value of a fund's portfolio securities.

**Growth Investing.** Growth stocks can react differently to issuer, political, market, and economic developments from the market as a whole and other types of stocks. Growth stocks tend to be more expensive relative to their earnings or assets compared with other types of stocks. As a result, growth stocks tend to be sensitive to changes in their earnings and more volatile than other types of stocks.

**Value Investing.** Value stocks can react differently to issuer, political, market, and economic developments from the market as a whole and other types of stocks. Value stocks tend to be inexpensive relative to their earnings or assets compared with other types of stocks. However, value stocks can continue to be inexpensive for long periods of time and might never realize their full expected value.

**Legislative and Regulatory Risk.** Investments in your Program Account could be adversely affected by new (or revised) laws or regulations. Changes to laws or regulations could impact the securities markets as a whole, specific industries, or individual issuers of securities. Generally, the impact of these changes will not be fully known for some time.

**Cybersecurity Risks.** With the increased use of technologies to conduct business, Strategic Advisers and its affiliates are susceptible to operational, information security, and related risks despite taking reasonable steps to mitigate them. In general, cyber incidents can result from deliberate attacks or unintentional events that can arise from external or internal sources. Cyberattacks include but are not limited to 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; and causing operational disruption. Cyberattacks can 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 incidents affecting Strategic Advisers, its affiliates, or any other service providers (including but not limited to custodians, transfer agents, and financial intermediaries used by Fidelity or by an issuer of securities) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the ability to calculate asset prices, impediments to trading, the inability to transact business, destruction to equipment and systems, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting issuers of securities in which an account invests, counterparties with which an account engages in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions (including financial intermediaries and service providers), and other parties.

**Operational Risks.** Operational risks can include risk of loss arising from failures in internal processes, people, or systems, such as routine processing incidents or major systems failures, or from external events, such as exchange outages. Strategic Advisers uses algorithms in support of its discretionary portfolio management process. There is a risk that the data input into the algorithms could have errors, omissions, or imperfections, or that the algorithms do not operate as intended (generally referred to as “processing incidents”). Any decisions made in reliance on incorrect data or algorithms that do not operate as intended can expose Program Accounts to potential risks. Issues in the algorithm are often extremely difficult to detect and could go undetected for long periods of time or never be detected. These risks are mitigated by testing and human oversight of the algorithms and their output. We believe that the oversight and testing performed on our algorithms and their output will enable us to identify and address issues appropriately. However, there is no assurance that the algorithms will always work as intended. In general, we will not assess each Program Account individually, nor will we override the outcome of the algorithm with respect to any particular Program Account.

Not all processing incidents arising from operational failures, including those resulting from the mistakes of third parties, will be compensable by Strategic Advisers to clients. Strategic Advisers maintains policies and procedures that address the identification and resolution of processing incidents, consistent with applicable standards of care, to ensure that clients are treated fairly when a processing incident has been detected. The determination of whether, and how, to address a processing incident is made by Strategic Advisers or its affiliates, in their sole discretion.

Processing incidents will be reviewed to determine whether there was a financial impact on a client’s Program Account based on, among other things, the relevant investment strategy, and to evaluate the materiality of the impact. If we determine that a material financial impact has occurred, we will make an appropriate correction or otherwise reimburse the Program Account in an amount Strategic Advisers or its affiliates determine is appropriate based on all relevant circumstances. Typically, processing incidents that result in a financial impact of less than \$10 per Program Account are not considered material. Other examples of impact that could affect the performance of a Program Account but would likely not be material include impacts arising from computer, communications, data processing, network, cloud computing, backup, business continuity or other operating, information, or technology systems, including those we outsource to other providers, failing to operate as planned or becoming disabled, overloaded, or damaged as a result of a number of factors. These factors could include events that are wholly or partially beyond our control and could have a negative impact on our ability to conduct business activities. Though losses arising from operating, information, or technology systems failures could adversely affect the performance of a Program Account, such losses would likely not be reimbursable under Strategic Advisers’ policies and procedures.

**Past performance is not a guarantee of future returns. Investing in securities and other investments involves a risk of loss that a client should understand and be willing to bear.**

## DISCIPLINARY INFORMATION

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There are no legal or disciplinary events that are material to a client's or prospective client's evaluation of Strategic Advisers' advisory business or the integrity of its management personnel.

## OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

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Strategic Advisers is a wholly owned subsidiary of Fidelity Advisory Holdings LLC, which in turn is a wholly owned subsidiary of FMR LLC. FMR LLC is a Delaware limited liability company that, together with its affiliates and subsidiaries, is generally known to the public as Fidelity Investments or Fidelity. Various direct or indirect subsidiaries of FMR LLC are engaged in investment advisory, brokerage, banking, or insurance businesses. From time to time, Strategic Advisers and its clients will have material business relationships with the subsidiaries and affiliates of FMR LLC. In addition, the principal officers of Strategic Advisers serve as officers and/or employees of affiliated companies that are engaged in various aspects of the financial services industry.

Strategic Advisers is not registered as a broker-dealer, futures commission merchant, or commodity trading advisor, nor does it have an application pending to register as such. Strategic Advisers is registered with the U.S. Commodity Futures Trading Commission ("CFTC") under the Commodity Exchange Act of 1936, as amended ("CEA"), as a commodity pool operator ("CPO") and is a member of the National Futures Association ("NFA"). Certain personnel of FPWA, Strategic Advisers, Fidelity Brokerage Services LLC, and National Financial Services LLC share premises and have common supervision. In addition, certain management persons of Strategic Advisers are registered representatives of Fidelity Brokerage Services LLC, a Strategic Advisers affiliate and a registered broker-dealer.

Strategic Advisers has, and its clients could have, a material relationship with the following affiliated companies:

### Investment Companies and Investment Advisers

- FPWA, a wholly owned subsidiary of Fidelity Advisory Holdings LLC, which in turn is wholly owned by FMR LLC, is a registered investment adviser under the Investment Advisers Act of 1940 (the "Advisers Act"). FPWA provides nondiscretionary investment management services and serves as the sponsor to investment advisory programs, including the Program. Strategic Advisers acts as sub-advisor to FPWA in providing discretionary investment management to certain clients and assists FPWA in evaluating sub-advisors.
- Fidelity Management & Research Company LLC ("FMRCO"), a wholly owned subsidiary of FMR LLC, is a registered investment adviser under the Advisers Act. FMRCO provides investment management services, including to registered investment companies in the Fidelity group of funds and to clients of other affiliated and unaffiliated advisers. FMRCO acts as sub-advisor to FPWA in providing discretionary portfolio management to certain clients and provides model portfolio recommendations and environmental filtering services to Strategic Advisers in connection with Strategic Advisers' provision of discretionary portfolio management to certain clients. Strategic Advisers pays FMRCO an administrative fee for handling the business affairs of the registered investment companies advised by Strategic Advisers, and FPWA compensates FMRCO for making certain mutual funds available to managed account programs offered by FPWA. In addition, Strategic Advisers shares employees from time to time with FMRCO.
- Fidelity Institutional Wealth Adviser LLC ("FIWA"), a wholly owned subsidiary of FMR LLC, is a registered investment adviser under the Advisers Act. FIWA provides nondiscretionary investment management services and sponsors the Fidelity Managed Account Xchange<sup>®</sup> program. Strategic Advisers provides model portfolio services to FIWA in connection with FIWA's services to its institutional and intermediary clients, and FIWA compensates Strategic Advisers for such services.
- FIAM LLC ("FIAM"), a wholly owned subsidiary of FIAM Holdings LLC, which in turn is wholly owned by FMR LLC, is a registered investment adviser under the Advisers Act and is registered with the Central Bank of Ireland. FIAM provides investment management services, including to registered investment

companies in the Fidelity group of funds and to clients of other affiliated and unaffiliated advisers. Strategic Advisers has sub-advisory agreements with FIAM for certain registered investment companies advised by Strategic Advisers.

- FMR Investment Management (UK) Limited ("FMR UK"), an indirect, wholly owned subsidiary of FMRCo, is a registered investment adviser under the Advisers Act, has been authorized by the U.K. Financial Conduct Authority to provide investment advisory and asset management services, and is registered with the Central Bank of Ireland. FMR UK provides investment management services, including to registered investment companies in the Fidelity group of funds and to clients of other affiliated and unaffiliated advisers. FIAM has sub-advisory agreements with FMR UK for certain registered investment companies advised by Strategic Advisers.
- Fidelity Management & Research (Japan) Limited ("FMR Japan"), a wholly owned subsidiary of FMRCo, is a registered investment adviser under the Advisers Act and has been authorized by the Japan Financial Services Agency (Kanto Local Finance Bureau) to provide investment advisory and discretionary investment management services. FMR Japan provides investment management services, including to registered investment companies in the Fidelity group of funds and to clients of other affiliated and unaffiliated advisers. FIAM has sub-advisory agreements with FMR Japan for certain registered investment companies advised by Strategic Advisers.
- Fidelity Management & Research (Hong Kong) Limited ("FMR Hong Kong"), a wholly owned subsidiary of FMRCo, is a registered investment adviser under the Advisers Act and has been authorized by the Hong Kong Securities & Futures Commission to advise on securities and to provide asset management services. FMR Hong Kong provides investment management services, including to registered investment companies in the Fidelity group of funds and to clients of other affiliated and unaffiliated advisers. FIAM has sub-advisory agreements with FMR Hong Kong for certain registered investment companies advised by Strategic Advisers.
- Fidelity Diversifying Solutions LLC ("FDS"), a wholly owned subsidiary of FMR LLC, is a registered investment adviser under the Advisers Act. FDS is registered with the CFTC under the CEA as a CPO, and as a commodity trading advisor. FDS is a member of the NFA. FDS provides portfolio management services as an adviser and a CPO to registered investment companies, unregistered investment companies (private funds), and separately managed accounts.

## **Broker-Dealers**

- Fidelity Distributors Company LLC ("FDC"), a wholly owned subsidiary of Fidelity Global Brokerage Group, Inc., which in turn is wholly owned by FMR LLC, is a registered broker-dealer under the Securities Exchange Act of 1934 (the "Exchange Act"). FDC acts as principal underwriter of the registered investment companies in the Fidelity group of funds and also markets those funds and other products advised by its affiliates to third-party financial intermediaries and certain institutional investors.
- National Financial Services LLC ("NFS"), a wholly owned subsidiary of Fidelity Global Brokerage Group, Inc., which in turn is wholly owned by FMR LLC, is a registered broker-dealer under the Exchange Act. NFS is a fully disclosed clearing broker-dealer that provides clearing, settlement, and execution services for other broker-dealers, including its affiliate FBS. Fidelity Capital Markets ("FCM"), a division of NFS, provides trade executions for Fidelity affiliates and other clients. Additionally, FCM operates CrossStream®, an alternative trading system that allows orders submitted by its subscribers to be crossed against orders submitted by other subscribers. FCM charges a commission to both sides of each trade executed in CrossStream. CrossStream is used to execute transactions for investment company and other clients. NFS provides transfer agent or subtransfer agent services and other custodial services to certain Fidelity clients.
- Kezar Trading, LLC, a registered broker-dealer and operator of two alternative trading systems ("ATS"), operates the Luminex ATS and the Level ATS, which allow orders submitted by its subscribers to be crossed against orders submitted by other subscribers. Kezar Markets, LLC, a Delaware LLC and holding company,



owns Kezar Trading, LLC. Fidelity Global Brokerage Group, Inc., and FMR Sakura Holdings, Inc., each a wholly owned subsidiary of FMR LLC, have membership interests in Kezar Markets, LLC, along with other members. Kezar Trading, LLC, charges a commission to both sides of each trade executed in the Luminex ATS and Level ATS. Luminex ATS and Level ATS are used to execute transactions for Fidelity affiliates' investment company and other advisory clients. NFS serves as a clearing agent for transactions executed in the Luminex ATS and Level ATS.

- Fidelity Brokerage Services LLC ("FBS"), a wholly owned subsidiary of Fidelity Global Brokerage Group, Inc., which in turn is wholly owned by FMR LLC, is a registered broker-dealer under the Exchange Act and provides brokerage products and services, including the sale of shares of registered investment companies in the Fidelity group of funds to individuals and institutions, including retirement plans administered by Fidelity affiliates. In addition, along with Fidelity Insurance Agency, Inc. ("FIA"), FBS distributes insurance products, including variable annuities, which are issued by Fidelity Investments Life Insurance Company ("FILI") and Empire Fidelity Investments Life Insurance Company® ("EFILI"), Fidelity affiliates. FBS provides shareholder services to certain of Fidelity's clients. FBS is the introducing broker for managed accounts offered by FPWA and places orders for execution with its affiliated clearing broker, NFS.
- Digital Brokerage Services LLC ("DBS"), a wholly owned subsidiary of Fidelity Global Brokerage Group, Inc., which in turn is wholly owned by FMR LLC, is a registered broker-dealer under the Exchange Act. DBS operates a primarily digital/mobile application-based brokerage platform that enables retail investors to open brokerage accounts via the mobile application and purchase and sell equity securities, including shares of investment companies advised by FMRCo or its affiliates. DBS receives remuneration from FMRCo for expenses incurred in servicing and marketing FMRCo products.

### **Insurance Companies or Agencies**

- FILI, a wholly owned subsidiary of FMR LLC, is engaged in the distribution and issuance of life insurance and annuity products that offer shares of registered investment companies managed by Fidelity affiliates.
- EFILI, a wholly owned subsidiary of FILI, is engaged in the distribution and issuance of life insurance and annuity products that offer shares of registered investment companies managed by Fidelity affiliates to residents of New York.
- FIA, a wholly owned subsidiary of FMR LLC, is engaged in the business of selling life insurance and annuity products of affiliated and unaffiliated insurance companies.

### **Banking Institutions**

- Fidelity Management Trust Company ("FMTC"), a wholly owned subsidiary of FMR LLC, is a limited-purpose trust company organized and operating under the laws of the Commonwealth of Massachusetts that provides nondiscretionary trustee and custodial services to employee benefit plans and individual retirement accounts through which individuals can invest in affiliated or unaffiliated registered investment companies. FMTC also provides discretionary investment management services to institutional clients.
- Fidelity Personal Trust Company, FSB, a wholly owned subsidiary of Fidelity Thrift Holding Company, Inc., which in turn is wholly owned by FMR LLC, is a federal savings bank that offers fiduciary services that include trustee or co-trustee services, custody, principal and income accounting, investment management services, and recordkeeping and administration.

### **Limited Partnerships and Limited Liability Company Investments**

Strategic Advisers provides discretionary investment management to partnerships and limited liability companies designed to facilitate acquisitions by mutual funds offered by Strategic Advisers. These funds are privately offered consistent with stated investment objectives. Strategic Advisers does not currently engage in borrowing, lending, purchasing securities on margin, short selling, or trading in commodities.

## Participating Affiliate

Certain employees of Fidelity Strategic Advisers Ireland, Limited ("Strategic Ireland") can from time to time provide certain services, including but not limited to research, operations, and investment management support services for Strategic Advisers, which Strategic Advisers could use for its clients. Strategic Ireland is not registered as an investment adviser under the Advisers Act and is deemed to be a "Participating Affiliate" of Strategic Advisers (as this term has been used by the Securities and Exchange Commission's Division of Investment Management in various no-action letters granting relief from the Advisers Act's registration requirement for certain affiliates of registered investment advisers). Strategic Advisers deems Strategic Ireland and each of the Strategic Ireland associated employees as "associated persons" of Strategic Advisers within the meaning of Section 202(a)(17) of the Advisers Act. Strategic Ireland associated employees and Strategic Ireland through such employees could contribute to Strategic Advisers' research process and could have access to information concerning securities that are being selected for clients prior to the effective implementation of such selections. As a participating affiliate of Strategic Advisers, Strategic Ireland has agreed to submit itself to the jurisdiction of United States courts for actions arising under United States securities laws in connection with investment advisory activities conducted for Strategic Advisers' clients. Strategic Advisers maintains a list of Strategic Ireland associated employees whom Strategic Ireland has deemed "associated persons," and Strategic Advisers will make the list available to its current U.S. clients upon request.

## CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

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Strategic Advisers has adopted a Code of Ethics for Personal Trading (the "Code of Ethics"). The Code of Ethics applies to all officers, directors, employees, and other supervised persons of Strategic Advisers and requires that they place the interests of Strategic Advisers' clients above their own. The Code of Ethics establishes securities transaction requirements for all covered employees and their covered persons, including their spouses. More specifically, the Code of Ethics contains provisions requiring the following:

- (i) Standards of general business conduct reflecting the investment advisers' fiduciary obligations;
- (ii) Compliance with applicable federal securities laws;
- (iii) Employees and their covered persons to move their covered accounts to FBS unless an exception exists or prior approval has been granted;
- (iv) Reporting and review of personal securities transactions and holdings for persons with access to certain nonpublic information;
- (v) Prohibition of purchasing securities in initial public offerings unless an exception has been approved;
- (vi) Reporting of Code of Ethics violations; and
- (vii) Distribution of the Code of Ethics to all supervised persons, documented through acknowledgments of receipt.

Core features of the Code of Ethics generally apply to all Fidelity employees. The Code of Ethics also imposes additional restrictions and reporting obligations on certain advisory personnel, research analysts, and portfolio managers. Such restrictions and reporting obligations include (i) the preclearing of transactions in covered securities with limited exceptions, (ii) a prohibition on investments in limited offerings without prior approval, (iii) a prohibition on personal trading by a portfolio manager within seven days before or after a trade in any covered security of the same issuer by a fund or account managed by such portfolio manager except in limited circumstances, (iv) the reporting of transactions in covered securities on a quarterly basis with limited exceptions, (v) the reporting of securities accounts and holdings of covered securities at the time of hire and annually thereafter, and (vi) the disgorgement of profits from short-term transactions with limited exceptions. Violation of the Code of Ethics requirements can also result in the imposition of remedial action. The Code of Ethics will generally be supplemented by other relevant Fidelity policies, including the Policy on Inside



Information, Rules for Broker-Dealer Employees, and other written policies and procedures adopted by Fidelity and Strategic Advisers. A copy of the Code of Ethics will be provided to any client or prospective client on request.

From time to time, Strategic Advisers and its related persons can buy or sell securities for themselves and recommend those securities to you. The conflicts of interest involved in such activities are contemplated in the Code of Ethics and other relevant Fidelity policies. In particular, the Code of Ethics and other Fidelity policies are designed to make it clear to Fidelity personnel that they should never place their personal interests ahead of Fidelity's clients in an attempt to benefit themselves or another party. The Code of Ethics and other Fidelity policies impose sanctions if these requirements are violated.

From time to time, in connection with our business, certain supervised persons obtain material nonpublic information that is usually not available to other investors or the general public. In compliance with applicable laws, Strategic Advisers has adopted a comprehensive set of policies and procedures that prohibit the use of material nonpublic information by investment professionals or any other employees.

In addition, Fidelity has implemented a Corporate Gifts & Entertainment Policy intended to set standards for business entertainment and the giving or receiving of gifts, to help employees make sound decisions with respect to these activities, and to ensure that the interests of Strategic Advisers' clients come first. Similarly, to support compliance with applicable "pay-to-play" laws, Fidelity has adopted a Personal Political Contributions & Activities Policy that requires employees to preclear any political contributions and activities. Fidelity also has a Global Anti-Corruption Policy regarding commercial bribery and bribery of government officials that prohibits directly or indirectly giving, offering, authorizing, promising, accepting, or receiving any bribe, facilitation payment, kickback or payoff (whether in cash or any other form) with the intent to improperly obtain or retain business or any improper advantage.

## **BROKERAGE PRACTICES**

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### **Transactions in Program Accounts**

In situations where you have imported securities into your Program Account, Strategic Advisers has a duty to seek best execution for transactions in client accounts. In determining a broker-dealer's ability for a transaction, Strategic Advisers or its affiliates evaluate a variety of criteria and use good faith judgment; such criteria include the broker-dealer's execution capabilities, reputation, and access to the markets for the securities being traded. Other possibly relevant factors Strategic Advisers or its affiliates consider in the context of a trade include but are not limited to the following: price; costs; the size, nature, and type of the order; speed of execution; and financial condition and reputation of a broker-dealer. Strategic Advisers or its affiliates can choose to place trades for Program Accounts with affiliated or unaffiliated registered broker-dealers and to execute an order using electronic channels, including Fidelity order routing systems or broker-dealer sponsored algorithms, or by verbally working an order with a broker-dealer. To obtain best execution for a transaction, Strategic Advisers can select a broker-dealer that does not necessarily charge the lowest available commission rate; however, Strategic Advisers believes that its order routing policies, taking into consideration the factors stated above, are designed to result in transaction processing that is favorable to Program clients. Strategic Advisers regularly monitors the quality of the execution of transactions allocated to affiliated and unaffiliated broker-dealers. The Program's advisory fee includes the cost of any commissions associated with Program Account transactions executed through broker-dealers affiliated with Strategic Advisers but does not include the cost of commissions associated with transactions executed through unaffiliated broker-dealers, provided, however, that Strategic Advisers or its affiliates can voluntarily assume the cost of commissions for Program Account transactions that are executed through unaffiliated broker-dealers, in which case clients will not be charged commissions for such transactions.

As security transactions for Program Accounts will be limited to the sale of transferred securities, it is anticipated that Strategic Advisers will place all transactions for the sale of exchange-traded products ("ETPs") and individual securities imported into Program Accounts with its affiliate NFS, through FCM.

Strategic Advisers places ETP and individual security transactions for execution with NFS, through FCM, when Strategic Advisers reasonably believes that the quality of the execution of the transaction is comparable to what could be obtained through other qualified broker-dealers. NFS transmits orders received for execution through FCM to various exchanges or market centers based on a number of factors. These include the size of the order, trading characteristics of the security, favorable execution prices (including the opportunity for price improvement), access to reliable market data, availability of efficient automated transaction processing, and execution costs. Some market centers or broker-dealers execute orders at prices superior to the publicly quoted market prices. Where Strategic Advisers directs the market center to which an order is routed, FBS or NFS will route the order to such market center in accordance with Strategic Advisers' instructions without regard to its general order routing practices.

With respect to investments made by Fidelity mutual funds and ETPs, Strategic Advisers and its affiliates can allocate brokerage transactions to unaffiliated broker-dealers that have entered into commission recapture arrangements with Strategic Advisers or its affiliates under which the broker-dealer, using a predetermined methodology, rebates a portion of the compensation paid by the fund to offset that fund's expenses, which can be paid to Strategic Advisers or its affiliates. Not all broker-dealers with whom Strategic Advisers trades have agreed to participate in brokerage commission recapture. Strategic Advisers expects that broker-dealers from whom Strategic Advisers or its affiliates purchase research products and services with hard dollars are unlikely to participate in commission recapture.

Please see the FPWA Program Fundamentals for further information about Program fees, brokerage commissions, and additional fees for transactions in a Program Account.

### **Trade Aggregation and Allocation**

Strategic Advisers' policy is to treat each of its clients' accounts in a fair and equitable manner over time when aggregating and allocating orders for the purchase and sale of mutual funds, ETPs, and individual securities. While Strategic Advisers is under no obligation to aggregate orders for Program Accounts, in general, Strategic Advisers will choose to aggregate trades for Program Accounts and/or aggregate Program Account trades with trades for other client accounts (including certain proprietary accounts of Strategic Advisers or its affiliates and Fidelity employee accounts managed by Strategic Advisers) when, in Strategic Advisers' judgment, aggregation is in the best interest of all clients involved and it is operationally feasible to do so. Orders are aggregated to facilitate seeking best execution, to negotiate more favorable commission rates, or to allocate equitably among clients the effects of any market fluctuations that might have otherwise occurred had these orders been placed independently. Aggregated trades are generally allocated pro rata among similarly situated client accounts participating in the transaction until the order is filled, and transactions that are executed on the same trade day are averaged as to price and allocated as to amount according to the purchase and sale orders actually placed for each client account. If Strategic Advisers does not complete an order in a single day (e.g., when an aggregate order for client accounts exceeds the available supply or to minimize market impact), client accounts will trade over multiple days. Although it is Strategic Advisers' policy to treat each of its clients' accounts in a fair and equitable manner over time, if trades are executed over multiple days, there can be no assurance that all participating Program Accounts will receive the same execution and certain Program Accounts may experience a more or less favorable execution depending on market conditions. Strategic Advisers has adopted trade allocation policies for managing client accounts, including Program Accounts, and for the funds of funds managed by Strategic Advisers, that are designed to achieve fairness and not to purposefully disadvantage comparable client accounts over time when allocating purchases and sales.

## **Agency and Advisor Cross Trades**

To the extent permitted by law and applicable policies and procedures, Strategic Advisers can execute agency cross trades for Program Accounts. Agency cross trades are trades in which Strategic Advisers, or any person controlling, controlled by, or under common control with Strategic Advisers, acts as both investment adviser and broker for a client, and as broker for the party or parties on the other side of the trade. Agency cross trades will be executed in accordance with Section 206(3) of the Advisers Act, requiring written consent, confirmations of transactions, annual reporting, and compliance procedures. In addition, to the extent permitted by law and applicable policies and procedures, Strategic Advisers can execute advisor cross trades for Program Accounts when Strategic Advisers believes that such trades are in the best interest of all clients involved. Advisor cross trades are trades in which Strategic Advisers, or an affiliate, acts as investment adviser to both clients involved in the trade. Advisor cross trades will be facilitated either directly or through a broker-dealer (including FBS or NFS) and the relevant crossing value will be determined based on one or more third-party pricing services, actual market bids, and/or closing prices as reflected on a national securities exchange.

## **Account Transaction Information**

When Strategic Advisers trades in a Program Account, clients will receive a confirmation of such transaction from NFS, except with respect to automatic investments, automatic withdrawals, dividend reinvestments, and transactions that involve the core Fidelity money market fund, where a client's account statement serves in lieu of a confirmation. Clients will receive statements from NFS that will provide holdings and transaction information, including trades, contributions, withdrawals, advisory fees, and estimated gain/loss and tax basis information. Statements and confirmations are also available online at Fidelity.com. Clients should carefully review all statements and other communications received from FBS and NFS. Clients will also receive a prospectus for any new mutual fund not previously held. The routing details of a particular order will be provided upon request, and an explanation of order routing practices will be provided on an annual basis. In addition, from time to time, Fidelity will provide aggregated trade execution data to clients and prospective clients.

## **Soft Dollars**

Strategic Advisers does not have a soft dollar program.

## **Client-Directed Brokerage Activities**

Program Accounts are not available for brokerage activities outside of the activities directed by Strategic Advisers, including but not limited to margin trading or trading of securities by you or any of your designated agents.

# **REVIEW OF ACCOUNTS**

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## **Ongoing Review and Adjustments of Program Accounts**

Strategic Advisers monitors Program Accounts and their investments periodically. Market conditions and/or an upturn or downturn in a particular security will at times cause a "drift" in your investment portfolio away from the long-term risk level associated with the Program Account. Strategic Advisers can choose to rebalance a Program Account to bring it back in line with your selected asset allocation strategy. The number of times your Program Account is rebalanced will vary based on economic and market conditions, as well as changes in the attractiveness or appropriateness of specific funds or managers. Strategic Advisers can also modify the funds held in a Program Account to accommodate new fund allocations and fund closures. As described earlier in this brochure, we will invest all Program Account assets in certain Flex Funds.

In managing Program Accounts, Strategic Advisers could decide to rebalance or adjust allocations for a number of reasons, including but not limited to the following:

- The weighting of a particular asset class, sector, or individual security that Strategic Advisers believes has too much or too little representation in connection with Program allocations;

- Changes in the fundamental attractiveness or appropriateness of a particular mutual fund;
- Changes in a client's profile information and any consequent changes to an associated investment strategy;
- Deposits/withdrawals of cash or securities into/from a Program Account; and
- Accommodating mutual fund closures or limitations.

Strategic Advisers' investment management team will make decisions regarding reallocations within the portfolio in which the Program Account is invested. These decisions are based on the investment management team's assessment of market and economic conditions and potential investment opportunities. Strategic Advisers will generally trade a Program Account when the portfolio to which it is aligned is changed. In determining whether a Program Account requires trading on a given day, Strategic Advisers relies on the prior trading day's closing values of the funds held in a Program Account. In general, Strategic Advisers does not attempt to conduct intraday account evaluations, and Strategic Advisers does not generally attempt to time intraday price fluctuations in its decisions to buy or sell securities.

In certain instances, a do-not-trade restriction will be placed on a Program Account for reasons including but not limited to processing a trade correction, client request, or to comply with a court order. For the period when a do-not-trade restriction is on a Program Account, Strategic Advisers will suspend management of the Program Account and will not monitor the Program Account for potential purchases and sales of securities. Additionally, in certain instances, deposits to a Program Account will not be invested and withdrawal requests will not be processed during a do-not-trade period. Strategic Advisers is not held responsible for any market loss experienced as a result of a do-not-trade restriction.

You also have access to information that details the performance of your Program Account and summarizes the market activity during the period. Industry standards are applied when calculating performance information.

## **CLIENT REFERRALS AND OTHER COMPENSATION**

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Strategic Advisers and its affiliates are compensated for providing services, including investment management, distribution, transfer agency, servicing, and custodial services, to certain Fidelity and non-Fidelity mutual funds, ETPs, and other investments. This includes FMRCo and its affiliates as the investment adviser for the Fidelity Funds; FDC as the underwriter of the Fidelity Funds; and Fidelity Investments Institutional Operations Company LLC ("FIIOC") as transfer agent for the Fidelity Funds, servicing agent for non-Fidelity funds, and recordkeeper of certain workplace savings plans. Strategic Advisers' affiliates also receive compensation and other benefits in connection with portfolio transactions executed on behalf of the Fidelity and non-Fidelity mutual funds, ETPs, and other investments. FMRCo and its affiliates also obtain brokerage or research services, consistent with Section 28(e) of the Exchange Act, from broker-dealers in connection with the execution of the Fidelity Funds' portfolio security transactions.

FBS and NFS receive compensation for executing portfolio transactions and providing, among other things, clearance, settlement, custodial, and other services to Fidelity and non-Fidelity mutual funds, ETPs, and other investments, and NFS provides securities lending agent services to certain Fidelity Funds for which it receives compensation. FBS, NFS, and FIIOC also offer Fidelity's mutual fund platform, FundsNetwork®, and provide shareholder and other services (including, for a limited number of participants on the platform, the sharing of certain aggregated data regarding ETF holdings in client accounts) to participating mutual funds and ETPs (or their sponsors) for which FBS, NFS, and FIIOC receive compensation. Neither FBS nor NFS receives any compensation in connection with directing equity trades for Program Accounts to market makers for execution. We can execute trades through alternative trading systems or national securities exchanges, including ones in which a Fidelity affiliate has an ownership interest, such as Members Exchange, a registered national securities exchange.

Any decision to execute a trade through an alternative trading system or exchange in which a Fidelity affiliate has an ownership interest would be made in accordance with applicable law, including best execution obligations. For trades placed on certain national securities exchanges, not limited to ones in which a Fidelity affiliate has an ownership interest, Fidelity could receive exchange rebates from such trades for Program Accounts, and these rebates will be subject to the credit amount (as described below) and will be allocated, pro rata based on assets, among Program Accounts.

The compensation described above that is retained by Strategic Advisers or its affiliates as a direct result of investments by Program Accounts in Fidelity and non-Fidelity funds and ETPs will be included in a credit amount, which can reduce the Program's advisory fee. However, to the extent that Strategic Advisers or its affiliates, including FBS, NFS, or FIIOC, retain compensation that is neither a direct result of, nor directly derived from, investments by the Program Accounts, such compensation is not included in the credit amount, does not reduce the advisory fee, and will be retained by Strategic Advisers or its affiliates. Receipt of compensation in addition to the advisory fee creates a financial incentive for Strategic Advisers and its affiliates to select investments that will increase such compensation. Strategic Advisers seeks to address this financial conflict of interest through the application of a credit amount, which will reduce the advisory fee, as applicable, and through personnel compensation arrangements (including those of Strategic Advisers' investment professionals and the Fidelity representatives) that are not differentiated based on the investments or share classes selected for Program Accounts. Strategic Advisers and its affiliates have also implemented controls reasonably designed to prevent the receipt of compensation from affecting the nature of the advice provided to Program Accounts. As described herein, Program Account assets will be invested in certain Flex Funds. The Flex Funds are available only to certain fee-based accounts offered by Fidelity, and compensation for management and expenses of Flex Funds is paid out of the fees charged by Fidelity fee-based accounts that include Flex Funds as underlying investments, including the Program. FMRCo is compensated for its services out of such advisory fees. FMRCo receives no fee from the Flex Funds for handling the business affairs of the funds and pays the expenses of each fund, with limited exceptions as noted above.

See the FPA Program Fundamentals included in your Program materials for additional information.

Client referrals are provided by affiliated entities, including FBS, pursuant to referral agreements where applicable.

## **CUSTODY**

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Clients must establish and maintain a brokerage account with FBS to participate in the Program, and NFS serves as the qualified custodian for Program Accounts. Clients should carefully review all statements and other communications received from NFS and FBS. NFS and FBS are broker-dealers and affiliates of Strategic Advisers.

Strategic Advisers is deemed to have custody under the Advisers Act because its affiliate NFS serves as qualified custodian for Program Accounts.

## **INVESTMENT DISCRETION**

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Strategic Advisers' portfolio management services for Program Accounts include the discretionary authority to determine which securities to purchase or sell, the total amount of such purchases and sales, and the brokers or dealers through which transactions are executed in Program Accounts. Such discretionary authority is subject to certain limits, including the Program's investment objectives and policies, regulatory constraints, and those investment restrictions we agree to impose based on a client's request, in accordance with applicable laws.

## **VOTING CLIENT SECURITIES**

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Strategic Advisers does not generally acquire authority for, or exercise, proxy voting on a client's behalf in connection with managing Program Accounts. Unless you direct us otherwise, you will receive proxy materials directly from the funds or NFS. Strategic Advisers will not advise you on the voting of proxies. You must exercise any proxy voting directly.

## **FINANCIAL INFORMATION**

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You do not pay Strategic Advisers for the services it provides under the Program. Strategic Advisers does not solicit prepayment of client fees. Strategic Advisers is not aware of any financial conditions that are reasonably likely to impair Strategic Advisers' ability to meet any of its contractual commitments to its clients.

**FOR MORE INFORMATION, PLEASE CALL US TOLL-FREE AT**

**800.343.3548**

*Monday through Friday, 8 a.m. to 7 p.m. Eastern time*



**Keep in mind that investing involves risk. The value of your investment will fluctuate over time, and you may gain or lose money.**

Diversification and asset allocation do not ensure a profit or guarantee against loss.

Indexes are unmanaged. It is not possible to invest directly in an index.

The S&P 500® Index is a market capitalization-weighted index of 500 common stocks chosen for market size, liquidity, and industry group representation to represent U.S. equity performance.

Fidelity, Fidelity Investments, the Fidelity Investments logo, Fidelity Go, Fidelity Flex, FundsNetwork, Empire Fidelity Investments Life Insurance Company, Fidelity Managed Account Xchange, and CrossStream are registered service marks of FMR LLC.

Fidelity Brokerage Services LLC, Member NYSE and SIPC, 900 Salem Street, Smithfield, RI 02917

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