

Fidelity® Personalized Planning & Advice



Expanded choice for plan sponsors' investment preferences

Employers are increasingly focused on the evolving financial needs of their participants. As a result, in recent years, ongoing financial planning and professional investment management has grown in popularity—with more than 5,000 of our clients today offering Fidelity's ongoing advisory service as part of their overall benefits.¹ And yet, while many agree on the need and benefits of this service, not all plan sponsors share the same investment philosophy. Some are looking to enhance risk-adjusted returns. Others are increasingly focused on potentially lower cost of ownership.

Fidelity offers a choice between an Index offering and a Core offering to meet the diverse needs and preferences of plan sponsors and their participants.

Fidelity® Personalized Planning & Advice offers you a choice

Fidelity offers choices for employer-sponsored retirement plans, based on a plan sponsor's investment objectives and philosophy.

Index

Offers diversified model portfolios with the goal of **tracking to a market benchmark using index funds² from the plan lineup, and potentially lower cost of ownership.³**

Core

Offers diversified model portfolios aimed at **enhancing risk-adjusted returns** using active and index funds from the plan lineup.

Both options share several key benefits:



Provide long-term asset allocation



Consider personal financial situation and risk tolerance



Offer professional management through ongoing monitoring and rebalancing

Summary: Now you can choose the option that best aligns with the investment philosophy and objectives you've established for your plan to help drive better outcomes for your employees.

Key differences between Index and Core offerings

	Index	Core
Objective	Tracking to market benchmark	Enhancing risk-adjusted returns
Asset Allocation	Strategic	Strategic and active
Investment Universe	Index funds only	Active and index funds
Target Net Advisory Fee⁴	50 BPS	50 BPS
Total Cost of Ownership	Lower	Higher



Comparing hypothetical portfolios across Index and Core

Fund	Index % of Portfolio	Core % of Portfolio
U.S. EQUITY		
Index Large-Cap Fund	39.0%	7.4%
Active Large-Cap Growth Fund A	0.0%	8.8%
Active Large-Cap Growth Fund B	0.0%	4.1%
Active Large-Cap Blend Fund A	0.0%	7.1%
Active Large-Cap Blend Fund B	0.0%	6.0%
Active All-Cap Value Fund	0.0%	7.1%
Index Mid- to Small-Cap Fund	10.0%	0.0%
Active Mid-Cap Fund	0.0%	2.8%
Active Small-Cap Fund	0.0%	7.2%
NON-U.S. EQUITY		
Active International Stock Fund	0.0%	3.0%
Index International Stock Fund	17.2%	11.0%
Active International Growth Fund	0.0%	7.0%
Active International Value Fund	0.0%	1.0%
Index Emerging Market Stock Fund	3.8%	0.0%
FIXED INCOME		
Active Investment-Grade Bond Fund	0.0%	15.4%
Index U.S. Bond Fund	25.0%	2.6%
Active Inflation Protection Bond Fund	0.0%	2.5%
Active Capital and Income Bond Fund	0.0%	2.0%
SHORT-TERM		
Stable Value Fund	5.0%	5.0%
TOTAL COST		
Weighted Average Expense Ratio	0.07%	0.41%
Net Advisory Fee ⁴	+0.50%	+0.50%
Total Cost of Ownership³	= 0.57%	= 0.91%

Target fit criteria for Index-Based offering—primary asset classes

U.S. Equity

- U.S. Total Market Index *or*
- U.S. Large-Cap Index⁵ + U.S. Mid-Cap Index + U.S. Small-Cap Index

Non-U.S. Equity

- Global ex-U.S. Index *or*
- Developed Markets Index⁵ + Emerging Markets Index

Fixed Income

- Intermediate Term Bond Index⁵

Short-Term

- Money Market⁵
- Stable Value⁵

Contact your Fidelity representative to determine which Fidelity Personalized Planning & Advice investment methodology may be right for your plan.

¹Based on Fidelity Investments recordkept data including both defined contribution (DC) and tax-exempt market (TEM) clients and plans as of 03/31/2018. Data includes proprietary managed accounts only.

²Funds are chosen from a plan's lineup. If available in a plan's lineup, a money market fund or stable value fund will typically be used as the short-term option.

³Index funds generally have lower expenses than non-index funds, resulting in a potentially lower total cost of ownership.

⁴Please refer to the Personalized Planning & Advice Terms and Conditions Pricing Supplement for additional information on how the net advisory fee is derived from the gross fee.

⁵These funds make up the minimum required funds for the Personalized Planning & Advice Index-Based offering.

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Approved for use in Advisor and 401(k) markets. Firm review may apply.

Investing involves risk, including risk of loss.

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