



NEWS RELEASE

Fidelity® Expands Its Model Portfolio Lineup to Help Advisors Meet Client Demand for Tailored Investment Management Solutions

4/7/2022

New Lineup Includes Fidelity Target Allocation Tax-Aware Model Portfolios, Model Portfolios with Separately Managed Account (SMA) & Tax-Aware Model Portfolios with SMA

Fidelity Now Offers Advisors One of the Industry's Largest and Broadest Lineups of Model Portfolios with a Selection of 57 Model Portfolios

Fidelity Expands Model Portfolio Offering Through 55ip to Include Custom Models

BOSTON--(BUSINESS WIRE)-- Fidelity Institutional®, the division of Fidelity Investments® dedicated to providing technology, solutions, and insights to wealth management firms and institutions, today expanded its model portfolio suite by announcing the launch of Fidelity Target Allocation Tax-Aware Model Portfolios with nine equity and fixed income mixes (10/90, 20/80, 30/70, 40/60, 50/50, 60/40, 70/30, 85/15, and 100/0)i, each versioned for I and Z share classes. These model portfolios are now available through Fidelity's managed account platform, Fidelity Managed Account XchangeSM (FMAX), and the Envestnet platform.

Using a blend of actively managed funds from Fidelity and ETFs from other asset managers, these new target allocation tax-aware model portfolios seek to enhance total return through fund selection and help reduce the impact of taxes on returns.

"We're committed to providing choice and flexibility, and as the marketplace and investor preferences continue to evolve, we want to enable advisors to efficiently manage their clients' investments in a customizable way that is tailored toward tax efficiency," said Suzanne Daly, vice president of Model Portfolio Business Development, Fidelity Institutional. "The tax-aware model portfolios leverage Fidelity's decades of portfolio management experience and diverse investment capabilities to enhance the advisor experience and empower them to better serve clients

through diversified offerings, flexibility, and customization,” added Daly.

New Model Portfolios Help Advisors Deliver on Investors’ Unique Needs

As part of its commitment to meeting client needs, Fidelity continues to enhance its model manufacturing capabilities to increase advisors’ ability to accommodate a range of investors, helping them manage money more efficiently so that they can focus on providing relevant and differentiated value to their clients. In addition to the target allocation tax-aware model portfolios, Fidelity is also introducing:

- Fidelity Model Portfolios with Separately Managed Account (SMA) with five equity and fixed income mixes (20/80, 40/60, 60/40, 70/30, 85/15)ⁱⁱ each versioned for I and Z share classes. These model portfolios use a blend of mutual funds, ETFs, and SMAs from Fidelity and other asset managers designed to provide enhanced risk-adjusted total return across the risk spectrum.
- Fidelity Tax-Aware Model Portfolios with SMA with five equity and fixed income mixes (20/80, 40/60, 60/40, 70/30, 85/15)ⁱⁱⁱ each versioned for I and Z share classes. These model portfolios use a blend of mutual funds, ETFs, and SMAs from Fidelity and other asset managers, including municipal bond investments to help reduce the impact of taxes on returns.

Both model portfolios with SMAs are Unified Managed Account (UMA) asset allocation models that incorporate SMA building blocks alongside active mutual funds and ETFs, making it easier for advisors to leverage Fidelity Model Portfolios within a larger UMA. These are the first Fidelity UMA models available through the Envestnet platform.

Expanding Access and Availability to Fidelity Model Portfolios

Advisors can access Fidelity’s broad range of model portfolios across more than 20 platforms, making it easy for them to leverage models wherever they do business. Direct integration with a growing number of third-party platforms, such as Envestnet, Orion, 55ip and more, delivers flexibility to advisors and enables them to maximize the value of their platforms’ functionality, as well as to work more seamlessly across platforms.

Fidelity’s latest offering includes the availability of custom model portfolios through 55ip. In addition to Fidelity’s pre-packaged model portfolios, advisors can now design custom model portfolios that can be implemented through 55ip’s tax-smart technology, allowing advisors to add scale and efficiency to their practice and deliver better outcomes for clients.

Fidelity Model Portfolios are also available through Fidelity platforms such as the managed account platform FMAX, and integrated into the WealthscapeSM Modeling & Rebalancing tool, making it simpler for advisors to view, customize and allocate to the portfolios.

More than 8,000 wealth management advisors are now subscribed to Fidelity Model Portfolio updates. Subscribers receive periodic updates on model reallocation rationales, market and model performance commentaries, and investing insights from Fidelity. Advisors can also access marketing collateral on the models that they can easily share with clients, helping them explain the value of models and where they fit into a client's overall portfolio.

Fidelity Model Portfolios are available to advisors at broker-dealers, registered investment advisors, banks and insurance companies. For more information, please visit go.fidelity.com/models.

About Fidelity Investments

Fidelity's mission is to inspire better futures and deliver better outcomes for the customers and businesses we serve. With assets under administration of \$11.1 trillion, including discretionary assets of \$4.2 trillion as of February 28, 2022, we focus on meeting the unique needs of a diverse set of customers. Privately held for over 75 years, Fidelity employees more than 57,000 associates who are focused on the long-term success of our customers. For more information about Fidelity Investments, visit <https://www.fidelity.com/about-fidelity/our-company>.

The model portfolios do not attempt to consider the effect of income taxes on performance or returns and does not reflect any opinion on the tax-appropriateness of the portfolio for any investor. Depending on your tax situation, municipal bond funds may be more appropriate for you. Model portfolios do not consider the effect of taxes, fees, and/or expenses associated with investing. Please consult with your investment or tax advisor, if applicable, prior to taking action.

Generally, among asset classes stocks are more volatile than bonds or short-term instruments and can decline significantly in response to adverse issuer, political, regulatory, market, or economic developments. Although the bond market is also volatile, lower-quality debt securities including leveraged loans generally offer higher yields compared to investment grade securities, but also involve great risk of default or price changes. The municipal market is volatile and can be significantly affected by adverse tax, legislative, or political changes and the financial condition of the issuers of municipal securities.

Please see the mutual fund and ETF prospectuses, applicable ADV documents, and/or related offering documents for more details on compensation, expenses and fees, conflicts of interest, investment strategies and risks.

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i Allocation of Fidelity Target Allocation Tax-Aware 10/90 is 10% equity/90% fixed income; allocation of Fidelity Target Allocation Tax-Aware 20/80 is 20% equity/80% fixed income; allocation of 30/70 is 30% equity/70% fixed

income; allocation of 50/50 is 50% equity/50% fixed income; allocation of 60/40 is 60% equity/40% fixed income; allocation of 70/30 is 70% equity/30% fixed income; allocation of 85/15 is 85% equity/15% fixed income; allocation of 100/0 is 100% equity/0% fixed income.

ii Allocation of Fidelity Model Portfolios with SMA 20/80 is 20% equity/80% fixed income; allocation of Fidelity Model Portfolios with SMA 40/60 is 40% equity/60% fixed income; allocation of Fidelity Model Portfolios with SMA 60/40 is 60% equity/40% fixed income; allocation of Fidelity Model Portfolios with SMA 70/30 is 70% equity/30% fixed income; allocation of Fidelity Model Portfolios with SMA 85/15 is 85% equity/15% fixed income.

iii Allocation of Fidelity Tax-Aware Model Portfolios with SMA 20/80 is 20% equity/80% fixed income; allocation of Fidelity Tax-Aware Model Portfolios with SMA 40/60 is 40% equity/60% fixed income; allocation of Fidelity Tax-Aware Model Portfolios with SMA 60/40 is 60% equity/40% fixed income; allocation of Fidelity Tax-Aware Model Portfolios with SMA 70/30 is 70% equity/30% fixed income; allocation of Fidelity Tax-Aware Model Portfolios with SMA 85/15 is 85% equity/15% fixed income.

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