



NEWS RELEASE

Fidelity Rewrites the Rules of Investing to Deliver Unparalleled Value and Simplicity to Investors

8/1/2018

BOSTON — Fidelity Investments®, one of the largest index mutual fund providers with over \$7 trillion in total client assets, announced today a series of industry-changing moves that will give investors unparalleled value, simplicity and choice. Fidelity's groundbreaking enhancements include:

- Zero expense ratio mutual funds (Fidelity ZERO Index Funds)
- Zero minimums to open accounts
- Zero account fees
- Zero domestic money movement fees
- Zero investment minimums on Fidelity retail and advisor mutual funds and 529 plans¹
- Significantly reduced and simplified pricing on existing Fidelity index mutual funds

"Fidelity is once again rewriting the rules of investing to deliver the unparalleled value and straightforward investing options that individuals need and deserve," said Kathleen Murphy, president of Fidelity Investments' personal investing business. "We are charting a new course in index investing that benefits investors of all ages – from millennials to baby boomers – and at all affluence levels and stages of their lives. The ground-breaking zero expense ratio index funds combined with industry-leading zero minimums for account opening, zero investment minimums, zero account fees, zero domestic money movement fees and significantly reduced index pricing are unmatched by any other financial services company.

"Fidelity's relentless focus on enhancing the value we provide to investors, combined with our award-winning platforms and broad-based financial planning and advisory services, demonstrate the clear advantage of investing with Fidelity," continued Murphy. "With Fidelity, investors never have to compromise on great value or comprehensive service."

Watch Kathleen Murphy discuss Fidelity's enhancements in a live broadcast on [Facebook.com/fidelityinvestments](https://www.facebook.com/fidelityinvestments)

or [Twitter.com/fidelity](https://twitter.com/fidelity) at around 10:45 a.m. today, Aug. 1, 2018.

Zero, Zilch, Nada – The Zeros Really Add Up

- Zero Expense Ratio Fidelity ZERO Index Funds. Fidelity ZERO Total Market Index Fund (FZROX) and Fidelity ZERO International Index Fund (FZILX) are the industry’s first self-indexed mutual funds with a zero expense ratio available directly to individual investors. This means investors will pay a 0.00% fee, regardless of how much they invest in either fund, while gaining exposure to nearly the entire global stock market. The funds will be available on [Fidelity.com](https://www.fidelity.com) as of Aug. 3, 2018. For more information on these funds, [click here](#).

Firm Fund name	Fidelity Fidelity ZERO Total Market Index Fund	Vanguard Vanguard Total Stock Market Index Fund (VTSMX)	Charles Schwab Schwab Total Stock Market Index Fund (SWTSX)
Net Expenses	0.00%	0.14%	0.03%
Investment Minimum	\$0	\$3,000	\$0

Firm Fund names	Fidelity* Fidelity ZERO International Index Fund	Vanguard Vanguard FTSE All-World, Ex-U.S. Index Fund (VFWIX)	Charles Schwab Schwab International Index Fund (SWISX)
Net Expenses	0.00%	0.23%	0.06%
Investment Minimum	\$0	\$3,000	\$0

* Comparisons based on fund expense ratios only. Please consider other important factors including that each fund’s investment objectives, strategy, and index tracked to achieve its goals may differ, as well as each fund’s features and risks.

- Zero minimums to open accounts; zero account fees; and zero domestic money movement fees for individual investors. Investors of all ages and affluence crave an investing approach and fee structure that is straightforward and simple. Fidelity is taking a leading approach in the industry by implementing across-the-board zero investment minimums to open a Fidelity retail brokerage account (including the Attainable Savings Plan) as well as eliminating account and domestic money movement fees on these accounts. For example, Fidelity will not charge individual investors for domestic bank wires, check stop payments, returned checks and low balance maintenance fees. **These changes** are effective immediately.
- Zero investment minimums on Fidelity mutual funds and 529 plans.¹ Fidelity will impose no investment minimums on its mutual funds and 529 college savings plans available to individual investors directly from Fidelity or through a financial advisor. These changes are effective immediately.
- Reduced and simplified pricing on existing Fidelity index mutual funds. In addition to offering the industry’s

first self-indexed mutual funds with a zero expense ratio, Fidelity is reducing the pricing on its existing stock and bond index mutual funds. Fidelity will provide investors the lowest priced share class available, ensuring every investor, regardless of how much they invest, will benefit from the lowest possible fees. The average asset-weighted annual expense across Fidelity's stock and bond index fund lineup's will decrease by 35 percent, with funds as low as 0.015 percent. These changes will save shareholders approximately \$47 million annually.² With this action, 100 percent of Fidelity's stock and bond index mutual funds and sector ETFs will have total net expenses lower than all of Vanguard's comparable funds that are available to individuals, advisors and institutional investors.³ In addition, Fidelity beats Schwab's prices for nine of 10 comparable index mutual funds (and is tied on the 10th index mutual fund).

Please **see the attached appendix** for additional details on competitive pricing comparisons.

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 \$7.0 trillion, including managed assets of \$2.5 trillion as of June 30, 2018, we focus on meeting the unique needs of a diverse set of customers: helping more than 27 million people invest their own life savings, 23,000 businesses manage employee benefit programs, as well as providing more than 12,500 financial advisory firms with investment and technology solutions to invest their own clients' money. Privately held for 70 years, Fidelity employs more than 40,000 associates who are focused on the long-term success of our customers. For more information about Fidelity Investments, visit <https://www.fidelity.com/about>.

