



FOR IMMEDIATE RELEASE

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**FIDELITY BECOMES THE ONLY FIRM THAT OFFERS ZERO COMMISSION
ONLINE TRADING, AUTOMATIC DEFAULT TO HIGHER YIELDING CASH OPTION FOR
NEW ACCOUNTS AND LEADING TRADE EXECUTION**

- *Strengthens Industry-Leading Platform that Already Includes Zero Account Fees, Zero Account Minimums, Zero Investment Minimums and Zero Expense Ratios Index Funds*
 - *Total Offering Provides Unmatched Value to Investors of all Types*

BOSTON, October 10, 2019 – [Fidelity Investments](https://www.fidelity.com)[®], the largest online brokerage firm with 21.8 million accounts, today announced that it is the only firm to offer zero commissions for online U.S. stocks, exchange traded funds (ETFs) and option tradesⁱ, automatically direct retail investors' cash into higher yielding alternatives available for new brokerage and retirement accounts, and provide industry-leading best execution practices with zero payment for order flow for stock and ETF tradesⁱⁱ. The commission changes take effect on October 10, 2019 for individual investors and will be available on November 4, 2019 for registered investment advisors.ⁱⁱⁱ

“With this decision, Fidelity is taking a different path from the industry. We are providing customers unmatched value while challenging industry practices that appear to give value in one place when they are actually having customers pay in other ways,” said Kathleen Murphy, president of Fidelity Investments' personal investing business. “This is why – in addition to offering zero commissions for online trading – we will continue to automatically offer retail investors choice for their cash at account opening and default them into the higher yielding option, as well as provide customers with the industry-leading trade execution that does not sacrifice customer interests. This combination is something that no other firm offers.”

Fidelity's Differentiated and Unmatched Value

Fidelity's heritage, award-winning brokerage leadership and size advantage allow the firm to deliver broad value while giving customers an exceptional experience and helping attract nearly 10,000 new brokerage accounts each trading day year to date.

Millions of investors can benefit from:

- **Challenging Industry Practices on Investor Cash¹:** Fidelity is the only online brokerage firm to take a [customer-first approach](#) by automatically directing investors' cash into higher yielding alternatives available for new retail brokerage and retirement accounts as well as providing product choice – all without any minimum requirements. Cash investments at Fidelity could earn 158x more than TD Ameritrade and E*Trade, and 13x more than Charles Schwab cash sweeps.^{iv}
- **Leading Trade Execution Practices:** Fidelity buy and sell order execution practices provide [leading price improvement](#) of \$17.20 on average for a 1,000-share equity order, while the industry average is just \$2.89^v -- for a total of more than \$635 million of savings for our clients in 2018. Unlike most competitors, Fidelity does not receive payment for equity order flow from market makers, allowing us to provide better execution quality for customers.
- **Price Improvement Transparency:** Fidelity is the only brokerage firm voluntarily to report quarterly price improvement savings and other execution statistics using the [Financial Information Forum \(FIF\) Rule 605/606 Working Group](#) standards. In addition, Fidelity displays pricing summary for how much a customer has saved on each trade, provides a dedicated web page that displays order execution and price improvement statistics, and offers a simple, two-step tool where investors can calculate their potential price improvement savings.
- **The [Zeros Add Up](#):** Fidelity is the only leading brokerage firm to offer zero expense ratio index mutual funds, zero minimums for retail brokerage account opening, zero investment minimums on Fidelity retail and advisor mutual funds and 529 plans^{vi}, zero account fees for retail brokerage accounts, and zero domestic money movement fees.^{2 vii}

¹ The Fidelity fund yield is the average amount earned by the fund after expenses over the past seven days, annualized as of the website published date indicated. You should know that money market funds have different characteristics than bank sweep products and savings accounts; read the fund's prospectus carefully. An important difference is that bank sweep products have FDIC protection, which guarantees principal and interest within limits. For further info, see www.Fidelity.com/why-fidelity/safeguarding-your-accounts. The default sweep APYs are sourced from each firm's website as of the published date indicated assuming a \$10,000 investment with comparable brokerage accounts. APY is the amount of total interest earned on a bank product in one year. Please consider each type of account and each product carefully, as there are differences in services and fees applicable to each type of account.

² Zero account minimums and zero account fees apply to retail brokerage accounts only. Expenses charged by investments (e.g., funds, managed accounts, and certain HSAs) and commissions, interest charges, or other expenses for transactions may still apply. See <https://www.fidelity.com/trading/commissions-margin-rates> for further details.

- **Low Cost Index Mutual Fund Provider:** As one of the largest index mutual fund providers with \$ 529.4 billion^{viii}, Fidelity has systematically reduced pricing for the funds by nearly 50% to provide greater value to investors. Notably, all of the Fidelity stock and bond index funds and sector ETFs have total net expenses lower than all of Vanguard’s comparable funds.^{ix}

“We made this decision after careful consideration to our clients and ensuring we are satisfying their full needs,” continued Murphy. “We will continually revisit the products and services we provide to customers in the evolving competitive environment.”

	Fidelity	Charles Schwab	TD Ameritrade	E*Trade
Choice of Higher Yielding Cash Alternatives at Account Opening (All balances/no tiers)	Yes	No	No	No
Cash Sweep Option Yield may vary due to market conditions. Yield as of 10/8/19.	1.58% Fidelity Government Money Market Fund 7-Day Yield	0.12% ^x	0.01% ^{xi}	0.01% ^{xii}
		Default Sweep APY		
Does Not Sell Equity Orders to Market Makers	Yes	No	No	No
Zero Expense Ratio Index Funds	Yes	No	No	No
Zero Account Fees	Yes	No	No	No

Money market funds are not insured or guaranteed by the FDIC or any other government agency. Consider each product carefully.

Performance data shown represents past performance and is no guarantee of future results. Current performance may be higher or lower than that quoted. Visit [Fidelity.com/cashvalue](https://www.fidelity.com/cashvalue) for current information.

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 \$7.7 trillion, including managed assets of \$2.8 trillion as of August 31, 2019, we focus on meeting the unique needs of a diverse set of customers: helping more than 30 million people invest their own life savings, 22,000 businesses manage employee benefit programs, as well as providing more than 13,500 financial advisory firms with investment and technology solutions to invest their own clients’ money. Privately held for more than 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>.

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\$0.00 commission applies to online U.S. equity trades, exchange-traded funds (ETFs), and options in a Fidelity retail brokerage account only for Fidelity Brokerage Services LLC retail clients. Options have a \$0.65 per-contract fee. Sell orders are subject to an activity assessment fee (from \$0.01 to \$0.03 per \$1,000 of

principal); an Options Regulatory Fee (from \$0.03 to \$0.05 per contract) applies for options buy/sell transactions (subject to change). Other exclusions and conditions may apply. See www.Fidelity.com/commissions for details. Employee equity compensation transactions and accounts managed by advisors or intermediaries through Fidelity Clearing & Custody Solutions® are subject to different commission schedules.

You could lose money by investing in the fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Fidelity Investments and its affiliates, the fund's sponsor, have no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time. The fund will not impose a fee upon the sale of your shares or temporarily suspend your ability to sell shares if the fund's weekly liquid assets fall below 30% of its total assets because of market conditions or other factors.

Options trading entails significant risk and is not appropriate for all investors. Certain complex options strategies carry additional risk. Before trading options, contact Fidelity Investments by calling 800-544-5115 to receive a copy of Characteristics and Risks of Standardized Options. Supporting documentation for any claims, if applicable, will be furnished upon request.

Comparative Yields: When you open a new retail Fidelity Brokerage Account, we automatically put your uninvested cash into the Fidelity® Government Money Market Fund with a seven-day yield of 1.58% as of 10/8/2019 (unless you choose another cash option). The Fidelity fund yield is compared to: Schwab Default Sweep APY of .12% as of 10/8/2019 for the Schwab One Interest for retail and Bank Sweep Account for retirement; TD Ameritrade Default Sweep APY of 0.01% as of 10/8/2019 for the TD Ameritrade FDIC Insured Deposit Account Rate—Core; and E*Trade Default Sweep APY of 0.01% as of 10/8/2019 for the Extended Insurance Sweep Deposit Account. Yields may vary due to market conditions. See Fidelity.com/cashvalue for current yields.

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Investing involves risks, including the loss of principal.

Before investing in any mutual fund or exchange-traded product, you should consider its investment objectives, risks, charges and expenses. Contact Fidelity for a prospectus, offering circular, or, if available, a summary prospectus containing this information. Read it carefully.

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ⁱ Online stocks, ETFs and Options (\$0.65/contract still applies).

ⁱⁱ Payment for order flow from market makers

ⁱⁱⁱ The online zero commission rate may be impacted by the terms and conditions of the pricing arrangement between registered investment advisor firms and Fidelity Brokerage Services LLC.

^{iv} As of Oct. 8, 2019. For accounts up to \$24,999.

^v Based on data from IHS Markit for SEC Rule 605 eligible orders executed at Fidelity between July 1, 2018 and June 30, 2019. The comparison is based on an analysis of price statistics that include all SEC Rule 605 eligible market and marketable limit orders of 100–1,999 shares. For both the Fidelity and Industry savings per order figures used in the example, the figures are calculated by taking the average savings per share for the eligible trades within the respective order size range and multiplying each by 1000, for consistency purpose. Fidelity's average retail order size for SEC Rule 605 eligible orders (100–9,999 shares) during this time period was 838 shares. The average retail order size for the Industry for the same shares range and time period was 356 shares. Price improvement examples are based on averages and any price improvement amounts related to your trades will depend on the particulars of your specific trade.

^{vi} Minimums have been eliminated for funds that previously required an initial investment of \$10,000 or less, as well as for stock and bond index funds that previously had minimums up to \$100 million. A very small number of institutionally-priced fixed income and Freedom Index funds will maintain their current investment minimums.

^{vii} Fidelity offers the Fidelity ZERO Total Market Index Fund (FZROX), Fidelity ZERO International Index Fund (FZILX), Fidelity ZERO Large Cap Index Fund (FNILX), and Fidelity ZERO Extended Market Index Fund (FZIPX) available to individual retail investors who purchase their shares through a Fidelity brokerage account.

^{viii} Fidelity Investments. As of 8/31/19.

^{ix} Fidelity beats Vanguard on expenses on 23 of 23 comparable stock and bond index funds, across all Vanguard share classes with a minimum investment of less than \$3 billion. Total expense ratios as of 8/31/19.

^x For accounts up to \$24,999.

^{xi} Ibid.

^{xii} Ibid.