

FIL FUNDSNETWORK PORTFOLIOMANAGER FUNDS

Helping you decide

Simplified Prospectus

October 2008

FUNDS  **NETWORK**®

Simplified Prospectus

What you should know before you invest

WHAT IS THE PURPOSE OF THIS DOCUMENT?

To give you a summary of information to help you decide if you want to invest in one or more of the funds in the FIL FundsNetwork™ PortfolioManager fund range. This document is divided into 12 sections:

- 1 **What are the aims of each fund?**
- 2 **How much can I invest?**
- 3 **What are the risks?**
- 4 **What are the charges and expenses?**
- 5 **How will the charges and expenses affect what I might get back?**
- 6 **Who are these funds suitable for?**
- 7 **Will I receive an income from my investment?**
- 8 **What about tax?**
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- 12 **Additional information about the scheme**

For more detailed information, ask for a copy of the Full Prospectus by contacting us on **08457 100 456**.

We have tried to avoid using technical language but it has not always been possible. The Jargon Buster on page 15 should help to explain some of the words or phrases you may not instantly understand.

WHAT PRODUCTS ARE AVAILABLE?

The FIL FundsNetwork PortfolioManager funds are part of Fidelity Investment Funds II, a UK-based investment product which is divided into a number of different funds. It will be replaced by Fidelity Investment Funds IV as at 1 November 2008. This document therefore only refers to Fidelity Investment Funds IV.

You can invest by buying shares in one or more of the funds. When considering investing, diversifying your portfolio can help reduce the overall risk of your investments.

Each fund is different and some will suit your needs better than others. To be confident that you are investing in the funds that are right for you, please read this document carefully and compare the funds available.

Please note that we are not able to provide advice and therefore cannot assess the suitability or appropriateness of investments held for you or other services provided to you by Fidelity.

This means you do not benefit from the rules of the Financial Services Authority on assessing suitability or appropriateness. If you are in any doubt about the suitability of investments or services you may acquire through Fidelity, we recommend you consult an authorised financial adviser.

1 What are the aims of each fund?

This section lists the funds available along with a brief description and their fund code. For example, **FNDA**

FIL FUNDSNETWORK PORTFOLIOMANAGER DEFENSIVE

FNDA/ FNDN

A shares/N shares

- The aim is to achieve income with some potential for capital growth.
- It mainly invests in collective investment schemes whose primary objective is to invest in Fixed Income type securities.
- It may also invest in collective investment schemes which provide economic exposure to equities (primarily UK equity), property, commodities and money market securities, collective investment schemes managed by Fidelity and directly in equities, bonds and money market instruments.
- The fund may invest in derivatives and forward transactions for investment purposes.

FIL FUNDSNETWORK PORTFOLIOMANAGER CAUTIOUS

FNCA/ FNCN

A shares/N shares

- The aim is to achieve income and capital growth.
- It mainly invests in collective investment schemes which provide economic exposure to fixed income securities and equities (mainly UK equity).
- It may also invest in collective investment schemes which provide exposure to property, commodities and money market securities, collective investment schemes managed by Fidelity and directly in equities, bonds and money market instruments.
- The fund may invest in derivatives and forward transactions for investment purposes.

FIL FUNDSNETWORK PORTFOLIOMANAGER BALANCED

FNBA/ FNBN

A shares/N shares

- The aim is to achieve capital growth and some income.
- It mainly invests in collective investment schemes which provide economic exposure to UK and overseas equities and fixed income securities (UK and global).

- It may also invest in collective investment schemes which provide exposure to property, commodities and money market securities, collective investment schemes managed by Fidelity and directly in equities, bonds and money market instruments.
- The fund may invest in derivatives and forward transactions for investment purposes.

FIL FUNDSNETWORK PORTFOLIOMANAGER ADVENTUROUS:

FNVA/ FNVN

A shares/N shares

- The aim is to achieve capital growth and some potential for income.
- It mainly invests in collective investment schemes which provide economic exposure to UK and overseas equities.
- It may also invest in collective investment schemes which provide exposure to fixed income securities (UK and global), property, commodities and money market securities, collective investment schemes managed by Fidelity and directly in equities, bonds and money market instruments.
- The fund may invest in derivatives and forward transactions for investment purposes.

FIL FUNDSNETWORK PORTFOLIOMANAGER AGGRESSIVE

FNAF/ FNAN

A shares/N shares

- The aim is to achieve long term capital growth by investing in a wide range of global assets covering the UK and overseas developed markets and developing markets through out the world.
- It mainly invests through collective investment schemes managed by other fund managers whose primary objective is to invest in equities.
- It may also invest in collective investment schemes which provide economic exposure to fixed income securities, property, commodities and money market securities, collective investment schemes managed by Fidelity and directly in equities, bonds and money market instruments.
- The fund may invest in derivatives and forward transactions for investment purposes.

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2 How much can I invest?

You can invest a minimum lump sum of £1,000, a minimum additional lump sum of £250 and/or a minimum monthly saving amount of £50 per fund.

- There is no maximum amount unless you invest in an ISA in which case the maximum is £7,200.
- For more details about ISA limits see the Additional investor information section on page 12.

3 What are the risks?

When making an investment you should be aware of the following risks that apply to all of the funds listed in this document:

- The value of your investment and the income from it can go down as well as up. You may not get back the amount you invested.
- What you get back is not guaranteed. It will depend on investment performance.
- External factors can cause an entire asset class to decline in value. Prices and values of all shares or all bonds could decline at the same time. This is called a market risk.
- Inflation will affect the future buying power of your investment. If the returns on your investment have not beaten the rate of inflation it will have less buying power in the future.
- External factors may cause an issuer or other financial institution to default on its financial obligations. This is known as the credit risk of an investment security.
- Tax rules may change in the future. We cannot guarantee that all funds will remain eligible for ISAs.
- The risks outlined above apply to all the FIL FundsNetwork PortfolioManager Funds. The following risks can apply to the specific funds as indicated.
- This table will help you compare the risks for the funds as indicated.

	DEFENSIVE	CAUTIOUS	BALANCED	ADVENTUROUS	AGGRESSIVE
If you make regular withdrawals from your investment, this may reduce your capital over time if the fund's growth does not compensate for the withdrawals.	✓	✓	✓	✓	✓
Some funds will invest in 'sub-investment grade' bonds, either directly or by investing in other funds which do so. These bonds may produce a higher level of income than 'investment grade' bonds but at a higher risk to your capital.	✓	✓	✓	✓	
With funds that invest in bonds, cash or other money market instruments, either directly or by investing in other funds which do so, there is a risk that the issuer may default. The likelihood of this happening will depend on the credit-worthiness of the issuer. The risk of default is usually greatest with bonds that are classed as sub-investment grade.	✓	✓	✓	✓	✓
Some funds are able to invest some or all of their assets in developing overseas markets, either directly or by investing in other funds which do so, which carry a higher risk than investing in larger established markets. Investments in emerging markets are likely to experience greater rises and falls in value and there may be trading difficulties.				✓	✓
Some funds invest in overseas markets, either directly or by investing in other funds which do so. This means that changes in currency exchange rates will affect the value of your investment.	✓	✓	✓	✓	✓
For funds that use derivative transactions, there is a risk that the counterparty to the transaction will wholly or partially fail to honour its contractual obligations. This may result in financial loss to the fund. We assess the creditworthiness of counterparties as part of our risk management process.	✓	✓	✓	✓	✓
Some funds invest more heavily than others in smaller companies, either directly or by investing in other funds which do so, which can carry a higher risk because their share prices may be more volatile than those of larger companies.	✓	✓	✓	✓	✓
The value of the fund may be affected if any of the institutions with which cash is deposited suffers insolvency or other financial difficulty.	✓	✓	✓	✓	✓
Each of our funds is operated as a separate entity with its own assets and liabilities. However, if the liabilities of one fund were to exceed its assets, the other funds within the scheme might have to transfer across money to cover the liabilities. This means that the fund you invest in may be worth less if it has to transfer money to another fund.	✓	✓	✓	✓	✓
For some funds, derivatives and forward transactions may be used for specific investment purposes, as well as for hedging and other efficient management purposes as permitted for all funds. Where this is the case, their use may lead to higher volatility in the fund's share price.	✓	✓	✓	✓	✓

For a more detailed explanation of the risks please see the Full Prospectus.

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4 What are the charges and expenses?

- They are summarised in the charges and expenses tables below which will help you compare all our funds.
- An explanation of the different charges and expenses follows the table.

CHARGES AND EXPENSES TABLE

FUND	TRANSACTION EXPENSES		ANNUAL OPERATING EXPENSES				PORTFOLIO TURNOVER RATE
	INITIAL CHARGE	AMC	+	ADDITIONAL EXPENSES	=	TER	
FIL FundsNetwork PortfolioManager Defensive A Class	5.0%	1.0%	+	0.95%	=	1.95%	N/A
FIL FundsNetwork PortfolioManager Defensive N Class	0.0%	0.5%	+	0.95%	=	1.45%	N/A
FIL FundsNetwork PortfolioManager Cautious A Class	5.0%	1.0%	+	1.02%	=	2.02%	N/A
FIL FundsNetwork PortfolioManager Cautious N Class	0.0%	0.5%	+	1.02%	=	1.52%	N/A
FIL FundsNetwork PortfolioManager Balanced A Class	5.0%	1.0%	+	1.12%	=	2.12%	N/A
FIL FundsNetwork PortfolioManager Balanced N Class	0.0%	0.5%	+	1.12%	=	1.62%	N/A
FIL FundsNetwork PortfolioManager Adventurous A Class	5.0%	1.0%	+	1.22%	=	2.22%	N/A
FIL FundsNetwork PortfolioManager Adventurous N Class	0.0%	0.5%	+	1.22%	=	1.72%	N/A
FIL FundsNetwork PortfolioManager Aggressive A Class	5.0%	1.0%	+	1.25%	=	2.25%	N/A
FIL FundsNetwork PortfolioManager Aggressive N Class	0.0%	0.5%	+	1.25%	=	1.75%	N/A

Please note that the TERs for these funds are estimated at launch and the actual expenses may be higher or lower in the future.

WHAT ARE TRANSACTION EXPENSES?

The amount paid when investing or cashing in your share in your fund

Initial charge Example charge 5.0%

This is a percentage of your initial investment.

Exit charge Example charge 0.0%

Currently there is no exit charge for cashing in any of our funds.

WHAT ARE ANNUAL OPERATING EXPENSES?

The amount paid out of your fund each year. These expenses are paid out of the income produced by the funds.

AMC (annual management charge) Example AMC 1.0%

This is a percentage of your fund value.

Estimated additional expenses Example additional expenses 1.02%

Includes costs such as audit/legal fees and registration costs.

In the future years expenses may be higher or lower.

TER (total expense ratio) Example TER 1.62%

The TER shows the annual operating expenses of the fund to help you compare the annual operating expenses of different funds.

WHAT IS A PORTFOLIO TURNOVER RATE?

- This figure gives the portion of the fund that changed during the last accounting year through the fund buying and selling assets.
- It may not be available for funds that are less than 1 year old.
- The more stocks and shares the fund has bought the higher the portfolio turnover rate. This can result in higher costs for the fund but it can also mean that the investment manager is actively managing the assets in line with the fund's stated aims.

ARE THERE ANY OTHER CHARGES AND EXPENSES?

- There may be additional expenses to cover costs incurred by the fund manager buying or selling stocks within the portfolio, costs of interest paid on borrowings and payments incurred because of the use of derivatives.
- We may have soft commission and fee-sharing agreements with other parties. For more detail please refer to the full prospectus.

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5 How will the charges and expenses affect what I might get back?

- The total charges deducted for each fund are made up of the transaction expenses and the annual operating expenses (TER). They will reduce what you get back from your investment.
- You will get back more than you invested if the investment performance is more than the charges.
- Performance cannot be guaranteed but if we assume an investment growth rate for each of our funds we can give you examples of how the charges will affect what you might get back.
- You can use the following information to compare the charges of all our funds - there are three examples to look at.

Example 1

If we assume:

- you invest £3,000 in the Defensive Fund A Class;
- your money grows at 6% a year (not guaranteed); and
- you do not make any withdrawals; then the effect of the charges will be as follows:

AT END OF YEAR	INVESTMENT TO DATE	EFFECT OF DEDUCTIONS TO DATE	WHAT YOU MIGHT GET BACK AT 6%
	£	£	£
1	3000	217	2960
3	3000	372	3200
5	3000	555	3450
10	3000	1170	4190

- The last line in the table shows that over 10 years, the effect of the total charges and expenses could amount to £1,170.
- Putting it another way, this would have the same effect as bringing the illustrated investment growth rate down from 6% a year to 3.4%.

Example 2

If we assume:

- you invest £10,000 in the Defensive Fund A Class;
- your money grows at 6% a year (not guaranteed); and
- you take regular withdrawals of £50 per month, starting immediately; then the effect of the charges will be as follows:

AT END OF YEAR	INVESTMENT TO DATE	EFFECT OF DEDUCTIONS TO DATE	WITHDRAWN TO DATE	WHAT YOU MIGHT GET BACK AT 6%
	£	£	£	£
1	10000	719	600	9260
3	10000	1180	1800	8760
5	10000	1680	3000	8220
10	10000	3100	6000	6680

- The last line in the table shows that over 10 years, the effect of the total charges and expenses could amount to 3,100.
- Putting it another way, this would have the same effect as bringing the illustrated investment growth rate down from 6% a year to 3.2%.

Example 3

The following table summarises the effect of charges and expenses for all our funds. If we assume:

- you invest £3,000 in each of our funds
- your money grows at 6% a year (not guaranteed); and
- you do not make any withdrawals; then the effect of the charges for each fund will be as follows:

FUND NAME	EFFECT OF DEDUCTIONS AFTER 10 YEARS	WHAT YOU MIGHT GET BACK AT 6% AFTER 10 YEARS	REDUCTION IN THE ILLUSTRATED INVESTMENT GROWTH RATE OF 6%
	£	£	
FIL FundsNetwork PortfolioManager Defensive A Class	1170	4190	From 6% to 3.4%
FIL FundsNetwork PortfolioManager Defensive N Class	726	4640	From 6% to 4.5%
FIL FundsNetwork PortfolioManager Cautious A Class	1200	4170	From 6% to 3.3%
FIL FundsNetwork PortfolioManager Cautious N Class	758	4610	From 6% to 4.4%
FIL FundsNetwork PortfolioManager Balanced A Class	1240	4120	From 6% to 3.2%
FIL FundsNetwork PortfolioManager Balanced N Class	804	4560	From 6% to 4.3%
FIL FundsNetwork PortfolioManager Adventurous A Class	1280	4080	From 6% to 3.1%
FIL FundsNetwork PortfolioManager Adventurous N Class	850	4520	From 6% to 4.2%
FIL FundsNetwork PortfolioManager Aggressive A Class	1290	4070	From 6% to 3.1%
FIL FundsNetwork PortfolioManager Aggressive N Class	863	4500	From 6% to 4.2%

Remember, these figures are not guaranteed and are only given as an example to help explain the effect of charges and expenses on an investment in each fund.

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6 Who are the funds suitable for?

- Generally, our funds are suitable for someone who is prepared to risk their money on the stockmarket and who is prepared to save over the medium to long term (5 years or more).
- They are not suitable for someone who is not prepared to take any risk with their capital or for someone who is likely to want to cash in their investment within 5 years.
- Fidelity actively monitors levels of trading as short-term or excessive trading in Fidelity's funds may harm the fund's long-term performance. Fidelity may refuse to accept applications if we consider that you have a history of short-term or excessive trading, or if your trading has been or may be disruptive.

7 Will I receive an income from my investment?

- You will not receive an income payment from your investment. Any income generated will increase the share price of your fund.

8 What about tax?

- The United Kingdom tax regime applies to Fidelity Investment Funds IV.
- The funds must pay corporation tax at the current rate of 20% on a proportion of their taxable income.
- Each fund is exempt from United Kingdom tax on capital gains realised on the disposal of investments held within them.
- Dividends from United Kingdom companies are received with a tax credit and no further tax is payable by the fund on that income.
- Stamp Duty Reserve Tax (SDRT) could be chargeable on the value of surrenders and transfers in the fund. The rate of SDRT is 0.5%.
- For all funds, the personal tax you pay depends on your individual situation and/or the place where your capital is invested. If you are unclear what your position is you should seek professional advice.

Investor taxation

- You may be liable to capital gains tax on the sale of your shares if your total chargeable gains and losses in a tax year exceed the annual exemption.
- Income is distributed in the form of net dividends carrying a 10% tax credit. If you are a starting or basic-rate taxpayer, there will be no further UK income tax to pay.

If you are a higher-rate taxpayer, you will be liable to a further 22.5% tax on the grossed up dividend. Non-taxpayers cannot reclaim the tax credit on dividend income. Your tax position is the same whether your dividend is reinvested or paid to you.

ISA accounts

- You don't currently have to pay any UK income or capital gains tax on income or growth within your ISA and you don't need to mention ISA investments on your tax return.
- Remember that tax rules may change, so these benefits may not be maintained in future years.

9 Investing with Fidelity

HOW DO I PAY FOR MY INVESTMENT?

Lump sum investments

- You can pay for your investments by cheque, and also by debit card if you are buying funds online or over the phone. If you have a CashManager Account with us, you can also use money from this account to pay for your investments. For further information on the CashManager Account, please visit fidelity.co.uk
- Personal cheques should be made payable to Fidelity. The account name on the cheque must be the same name as the person who is making the investment – we do not accept third-party cheques on any investments.
- Banker's drafts or building society cheques must be endorsed by the bank or building society with its stamp and your name and address on the back of the cheque.
- If you want to pay for your investments from your CashManager Account, you should send us your instruction in writing, quoting your CashManager Account Number and clearly stating that you want to use money from this account to pay for your investment. If you are making your first investment into an ISA or non tax-wrapped account, you will also need to complete the relevant application form. Please note that this type of transaction is treated as a new purchase rather than a switch.
- You can make additional investments by post, online or over the phone (see contact details at the end). You can also give instructions by fax.

Monthly savings plans

- You will need to complete the direct debit mandate section of the application form if you want to open a monthly savings plan. We will tell you when the direct debit has been set up and the date we will collect your payment each month.
- If you would like to set up a monthly savings plan for an existing investment you can call us on 08457 100 456 to request a form.
- You can increase, decrease (subject to our minimum) or stop your monthly contributions at any time – all you have to do is give us 5 business days' notice.

HOW IS MY MONEY INVESTED?

- We will use your investment to buy shares in the fund(s) you choose.

WHAT DOCUMENTATION WILL I RECEIVE?

- For lump sum investments you will be sent a confirmation note showing details of your purchase.
- If you set up a monthly savings plan, you will receive a letter confirming that the plan has been set up and the monthly collection date. We will not send you confirmation of each monthly investment after that, although full details will appear on your statements.
- Fidelity does not issue share certificates, so you should keep this safe as a record of your transaction.
- If you set up a regular withdrawal plan, you will receive a letter confirming that the plan has been set up as well as the date and frequency of withdrawals. We will send you confirmation of each withdrawal after that, and full details will also appear on your statements.
- We will also send you a statement and valuation annually.

CAN I CANCEL MY INVESTMENT?

- If you invest as a result of receiving investment advice and you are a resident of the United Kingdom (which doesn't include the Channel Islands or the Isle of Man) you may have cancellation rights.
- Fidelity does not give investment advice. We will assume that you have not received advice from anyone else unless you tell us that you have.
- If you have a right to cancel your investment we will send you a cancellation notice within 8 business days of your account being set up. You will then have 14 days to return the tear-off slip on the cancellation notice to us.

- We will sell your investments at the first dealing point after we receive the cancellation notice. If the price is lower than when you made your investment you will receive less than you paid in. In the case of higher-risk funds, such a fall could be substantial.

WHERE CAN I FIND THE LATEST PRICES?

- Your investment in each fund is divided into shares. The value of your investment depends on how many shares you hold and the value of each share.
- The funds only have a single price.
- Share prices can be obtained from our website fidelity.co.uk or by calling 08457 100 456.
- Some of our fund prices are listed in national newspapers, however for reasons beyond our control, the published price may not be the current price.

HOW DO I SWITCH FROM ONE FUND TO ANOTHER?

- You can move your money from one fund to another at any time after the initial settlement period.
- The switching charge is usually 0.25% of the net investment.
- If you are switching into a fund with no initial charge, there will be no switching fee.
- If you are switching from a fund with no initial charge into a fund that does have one, you will pay the full initial charge.
- If you switch all of your holdings out of a fund which is part of a regular withdrawal plan, the regular withdrawal plan for this fund will be terminated. It will not automatically carry over to the new fund.

HOW DO I CASH IN MY INVESTMENT?

- You can cash in all or part of your investment at any time without paying an exit penalty.
- If you would like to start a regular withdrawals plan you can call us on 08457 100456 to request a form.
- You should send your instruction to us in writing.
- We will carry out your instructions on the day we receive them provided this is before the appropriate daily dealing cut-off time. Payment is normally by direct credit to your personal bank or building society, unless prior agreement has been obtained from Fidelity for a cheque payment. Alternatively, payment can be made to your CashManager Account. Please note that payments cannot be made to third parties without prior agreement from Fidelity.

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- If you would like the proceeds paid into your CashManager Account, your instruction should quote both your CashManager Account Number and the account number relating to the investment that you are cashing in. The instruction must clearly state the amount that you wish to redeem from your investment (quoting the fund) and that the proceeds should be paid into your CashManager Account.
- If you are redeeming an ISA account we will not proceed with the transaction until the method of payment has been confirmed and full bank details have been provided.
- Payment will be made within 7 business days of receiving your full and valid instructions. If a monthly saving collection takes place while processing your request, we will require a new instruction to redeem the remaining amount.
If you are redeeming investments held outside of an ISA, once the deal is placed payment will be made after 4 business days. If you place your instruction over the telephone, payment will not be made until we receive your signed renunciation form.
- If you are investing on a monthly basis, please give us at least 5 business days to cancel your direct debit.
- You can take regular withdrawals from your investment on a monthly, quarterly, semi-annual or annual basis. Payments will be made to your bank account within 7 business days of the specified withdrawal date. Regular withdrawals cannot be paid into a CashManager Account.

WHAT PRICE WILL I GET WHEN I BUY OR SELL SHARES?

- We will buy or sell the shares on the day we receive your instructions, so long as we get them before the dealing cut-off time of 12 noon. The pricing time for these funds is 12 noon.

10 Additional investor information

WHO CAN OPEN AN ACCOUNT?

- The funds in this document are generally available for UK residents (although we may be able to accept applications in certain circumstances from non-UK residents) over 18 years of age.
- If you move abroad then please note that there may be restrictions placed on your account, which may affect the ability to buy or switch from your account. These restrictions will be dependent on your new country of residence, the funds, services and/or products you hold.

WHAT TYPE OF ACCOUNT CAN I HAVE?

- You can invest either through an ISA, or by investing outside an ISA.

WHAT TYPE OF SHARES ARE AVAILABLE?

- The funds offer a commission-paying share class and a nil commission share class. Both types have the same aim and investment policies but the charges are different.
- You will need to make clear on your application form which shares you would like to buy.

HOW CAN I OPEN AN ACCOUNT?

- For both ISA and non tax-wrapped accounts, your first investment can either be by application form, by phone or online at fidelity.co.uk.
- If you open a non tax-wrapped account by phone or online you must also sign the registration document which accompanies your confirmation note and return it to us, otherwise you won't be able to cash in your investment or transfer it to another fund.
- Contact details for applications by post are at the end of this document.
- You can also open an account by transferring an existing ISA to Fidelity.

INVESTING IN AN ISA

What are ISAs?

- ISAs are accounts that act as "wrappers" to protect your investments from income tax and capital gains tax.
- ISAs are available to all UK residents over the age of 18.
- There are 2 different types of ISA - a Stocks and Shares ISA and a Cash ISA.
- The funds are available through a Stocks and Shares ISA.
- ISA investments will be purchased and held on your behalf in the name of a Fidelity nominee company.
- Following the change of rules on 6 April 2008 you are now able to switch any existing Cash ISAs you hold into Stocks and Shares ISAs without losing any of your ISA tax benefits and allowances. PEP investments have now been re-classified as Stocks and Shares ISAs.

Is there a limit on how much I can invest?

- You can invest a maximum of £7,200 within a Stocks and Shares ISA.
- In each tax year you can have one Cash ISA and one Stocks and Shares ISA. This can be with the same or different ISA managers.

- If you open a Stocks and Shares ISA and/or a Cash ISA, you cannot open another Stocks and Shares ISA or Cash ISA with another provider during the same year.
- There is no maximum amount for investments outside an ISA.

Can I change my ISA account type?

- You cannot transfer money held in a Stocks and Shares ISA to a Cash ISA.
- You can transfer money held in a Cash ISA to a Stocks and Shares ISA, by completing the relevant application form and returning it to Fidelity.
- However, if you do so, you will not be able to move the money back into a cash fund at a later date.

Can I cancel the transfer of my ISA to Fidelity?

- If you want to cancel the transfer of an ISA to Fidelity but would like your investments to keep their tax efficient status, you have the option of transferring it back to your original manager or to another manager.
- Alternatively you may ask us to close your ISA and return the proceeds to you. However, this means that you will lose the tax benefits of the account.
- In the case of an ISA from the current tax year, you would then not be able to open another ISA until the following tax year.

Can I transfer my ISA account to another company?

- You can transfer your Fidelity ISA to another investment company.
- Normally we will do this by selling your investments and sending the proceeds to the company as cash.
- In some cases it may be possible to transfer your ISA without selling the investments. For more information please contact Fidelity.
- Contact the company you want to transfer to and ask for the relevant form.

Can I transfer my non-tax wrapped account into an ISA?

- You can cash in your investment and use the proceeds to open an ISA.
- We require an instruction to sell funds together with an ISA application form.
- The charge is usually 0.25% of the net investment.

OTHER INFORMATION

What will Fidelity pay to my adviser?

- If you have an adviser he or she may receive an initial commission payment from us. We pay this out of the initial charge that is applied when you make your investment.

- In addition, we may pay your adviser renewal commission. We pay this out of the Annual Management Charge
- The amount of commission paid will depend on the size of your investment and the length of time you invest it for.
- Bear in mind that the amount paid to your adviser as commission may vary if you switch between funds.
- Your adviser will tell you how much commission is paid.
- Additionally Fidelity may provide your adviser with other non-monetary benefits such as training, marketing literature, conferences, IT facilities and invitations to business-related events. We can provide you with full details of actual benefits provided on request.

How do I make a complaint?

- If you would like to make a complaint, you should write to Fidelity International, Oakhill House, 130 Tonbridge Road, Hildenborough, Kent TN11 9DZ, or phone us on 08457 100 456.
- We can give you full details of the procedure we have set up for dealing with complaints.
- Alternatively, you may wish to make a complaint through your Financial Adviser.
- If you are not satisfied with Fidelity's response, you may take your complaint to the Financial Ombudsman Service.

WHAT WILL HAPPEN IF FIDELITY BECOMES INSOLVENT?

- Fidelity is covered by the Financial Services Compensation Scheme.
- You may be entitled to compensation from the scheme if we cannot meet our obligations, but this will depend on the type of investment you made and the circumstances of the claim.
- Most types of investment business are covered for 100% of the first £30,000 and 90% of the next £20,000, so the maximum compensation is £48,000.
- Further information about the compensation arrangements is available from the Financial Services Compensation Scheme. Fidelity can give you full details of your right to lodge a claim with the scheme.

11 How have the funds performed in the last ten years?

- These funds are less than one calendar year old and performance information is not available.

Simplified Prospectus

12 Additional Information about the Scheme

- The Fidelity Investment Funds II Scheme is an open-ended investment company (OEIC) with variable capital incorporated in England and Wales on 21 May 2003. It will be replaced on 1 November 2008 by the Fidelity Investment Funds IV Scheme, which will also be an open-ended investment company (OEIC) with variable capital incorporated in England and Wales.
- The scheme is promoted by the Fidelity Group which is an investment management organisation.
- Copies of the Full Prospectus and of the most recent annual and semi-annual reports may be obtained free of charge on request at any time from FIL Investment Services (UK) Limited ("Fidelity").
- Fidelity is the authorised corporate director (management company) of Fidelity Investment Funds IV.
- The depositary for Fidelity Investment Funds IV is J.P. Morgan Trustee and Depositary Company Limited, 125 London Wall, London EC2Y 5AJ, United Kingdom.
- The auditor is PricewaterhouseCoopers LLP, Hay's Galleria, 1 Hay's Lane, London SE1 2RD, United Kingdom.
- The scheme is authorised by the Financial Services Authority, 25 The North Colonnade, Canary Wharf, London E14 5HS, United Kingdom.

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FIDELITY CONTACT DETAILS

You can contact Fidelity by:

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Fax: **0800 783 9646**

We're open from 9am to 6pm, seven days a week.

Jargon Buster

We have tried to avoid using technical language but it has not always been possible. The list below gives a brief explanation of the terms and ideas mentioned above that may not be so familiar.

TELL ME ABOUT

- **Commodities** – A basic good used in commerce that is interchangeable with other commodities of the same type. The sale and purchase of commodities is usually carried out through futures contracts on exchanges that standardise the quantity and minimum quality of the commodity being traded.
- **Derivatives** – A general name for investments such as futures and options whose value depends on another financial asset, for example the price of a bond, currency or share. Derivatives can be used by fund managers to control particular aspects of a portfolio's risk, or as an investment in their own right.
- **Emerging markets** – Generally refers to newer stock or bond markets. These are often thought of as riskier than more developed markets, as they may have lower standards of regulation, and it may be more difficult to buy and sell shares.
- **Forward transactions** – These are transactions where the buyer and seller agree on a price now for a delivery of a commodity at a later date.
- **Hedging** – A transaction involving derivatives, with the aim of offsetting a particular financial risk, for example exchange rate risk.
- **Money market instruments** – Short-term debt instruments, usually running for a year or less. Examples of these include:
 - Treasury bills:** these are issued by the Treasury, via the Debt Management Office, and represent a promise to repay a set sum of money on a specified date in the future.
 - Certificates of deposit:** a certificate, issued by a bank or other financial institution, representing a deposit made with them. Unlike the deposit it represents, the certificate can be sold on to another investor.
- **OEIC** – An open-ended investment company offering different classes of shares (funds). With each fund investors' money is pooled together and used to invest in equities, bonds or other investments, depending on the objectives of the fund you've chosen.
- **Securities** – An investment instrument such as shares or bonds, issued by a corporation, government or other organisation which offers evidence of debt or equity.

