

16 March 2018

## **Fidelity Funds – Japan Aggressive Fund**

Dear Customers,

You may be aware that we have experienced strong interest in our Fidelity Funds - Japan Aggressive Fund (the “fund”). Our objective is to ensure that the fund’s capacity is maintained at a level that supports our aims of continuing to compound client money at our desired rate of return and to preserve the strong performance track record that it has achieved.

Taking into account future commitments from existing clients, the fund is now approaching the level of assets that we are comfortable with for the time being. Therefore, we want to cease marketing the fund to new investors, and begin to work with existing investors to control further inflows, while at the same time maintaining flexibility in terms of their rebalancing.

As an existing investor, we would ask for your cooperation in managing inflows from 30 April 2018. By working with you to control fund flows, we aim to protect the interest of all existing investors to ensure the fund can remain open for them as long as possible:

- In order to allow you/your underlying clients the flexibility to rebalance portfolios, we will accept cumulative subscriptions / switches via your platform at the greater amount of the following two scenarios: (i) up to 20% of the aggregate value of shares in the fund linked to your Fidelity Unique Agent Number (UAN) as at 27 April 2018, or (ii) USD 1m (please see examples over the page)
- If we retain a distribution relationship with underlying users of your platform, we are writing to them to explain that your platform’s capacity will be available to them as users on a first come, first served basis. We are unable to apply this limit to them individually as we have no visibility of the underlying user at your point of trade. We have explained that once your platform has utilised its available capacity, we may reject further subscriptions or switches in to this fund from you/your underlying clients.
- We will also be maintaining a pipeline queue for existing investors wishing to make a material additional investment over their cumulative limit. While we have ceased marketing the fund to new investors, where we are approached by any new investors, we may equally add them to the queue. We will be monitoring cumulative net sales from 30 April 2018 to identify flow levels relative to this cut off with a view to servicing the queue. If ever you wish to be added to the queue, please contact your usual Fidelity relationship manager with your estimated value of interest.

We will continue to monitor the fund's asset levels closely and will communicate any further changes.

We thank you for your cooperation in this regard and look forward to being able to continue to protect the longer-term interests of your/your clients' investment in this fund.

Yours faithfully

FIL (Luxembourg) S.A.

## Appendix

### Numerical examples of fund flow controls:

as at 27 April 2018	Holdings in Fund (USDm)	Cumulative quota (USDm)
UAN 1	40	8
UAN 2	10	2
UAN 3	1	1

### Fund IDs:

Class	ISIN	Sedol	WKN
A-JPY	LU1060955314	BLSNSW5	A113C2
I-ACC-JPY	LU0261965585	B19ZLK9	A0LGUY
W-GBP (hedged)	LU1060955587	BLSNSV4	
Y-ACC-EUR	LU1449576799	BD0CND0	A2ANU0
Y-ACC-EUR (hedged)	LU1060955405	BLSNST2	A113C3
Y-ACC-JPY	LU1060955660	BLSNSS1	A113C4