



Dear Investor:

Thank you for your interest in the Fidelity Self-Employed 401(k), which offers a convenient way for self-employed individuals and small-business owners to help save for retirement while also saving on current taxes. Beginning with the plan year 2002, you may be able to take advantage of increased retirement savings opportunities made possible by the Economic Growth and Tax Relief Reconciliation Act of 2001.

The enclosed information will help you learn about the Fidelity Self-Employed 401(k). We also have included the forms you will need to establish your profit sharing and 401(k) plan. Keep in mind that in order to contribute for the current year, you generally need to establish your plan within 90 days of your company's fiscal year-end — October 1 for most businesses. We also have enclosed a Transfer of Assets form to make it easy for you to consolidate any profit sharing or 401(k) plans you may have elsewhere.

With a Fidelity plan, you have the flexibility to invest your retirement savings in a wide range of investment opportunities, including stocks, bonds, and mutual funds. You can take advantage of more than 50 years of money management expertise by choosing mutual funds managed by Fidelity, or you can choose among funds from more than 350 well-known companies through our FundsNetwork.®

If you have any questions or would like to learn more about the Fidelity Self-Employed 401(k), please call a Fidelity Retirement Specialist at **800-544-5373** between 8 a.m. and 9 p.m. ET, seven days a week. You'll also find helpful tools for planning and monitoring your retirement investments at our Web site, **Fidelity.com**.

We look forward to helping you with your retirement needs.

Sincerely,

A handwritten signature in black ink that reads "Sanjiv H. Mirchandani". The signature is written in a cursive style with a large initial "S".

Sanjiv H. Mirchandani
Executive Vice President
Brokerage & Asset Management Products

A TAX-ADVANTAGED RETIREMENT PLAN FOR SELF-EMPLOYED INDIVIDUALS AND SMALL-BUSINESS OWNERS

New federal legislation makes contributing to a retirement plan even more advantageous for self-employed individuals and small-business owners. Changes resulting from the Economic Growth and Tax Relief Reconciliation Act of 2001 increase the maximum amount you can contribute to your plan. Specifically, the new tax law may make it advantageous for you to establish a 401(k) plan for yourself.

You can take advantage of Fidelity's Self-Employed 401(k) to help you:

- Maximize your retirement savings
- Reduce your current taxes
- Allow earnings to grow tax-deferred

With Fidelity's Self-Employed 401(k), you can choose from a stand-alone Profit Sharing Plan or a Profit Sharing Plan with a 401(k) feature. Each year, a Profit Sharing Plan allows you to contribute as much as 25% of compensation,¹ and with the 401(k) option, you can make additional salary deferrals up to \$11,000 (or \$12,000 if you are age 50 or older) — to a total contribution maximum of \$40,000 for 2002. On the following pages you'll learn more about how a Fidelity Self-Employed 401(k) could help you meet your retirement needs.

¹ The maximum compensation on which contributions can be based is \$200,000 for 2002. For self-employed individuals, "compensation" means earned income.

WHY YOU SHOULD CONSIDER A PROFIT SHARING AND 401(k) PLAN

Benefit of the plans

Profit Sharing and 401(k) Plans can specifically help you maximize your retirement savings while reducing current taxes. Any earnings in the plan grow tax-deferred. These plans are appropriate for self-employed individuals and business owners (and their spouses).

Maximize retirement savings

With the new tax law, business owners are now permitted to make deductible profit sharing contributions up to 25% of compensation. In 2002, they may also be eligible to add a 401(k) salary deferral feature of up to an additional \$11,000.¹ Based on a compensation cap of \$200,000, the combination of the profit sharing and salary deferral contributions may not exceed \$40,000 (\$41,000 if age 50 or older).

Tax-deductible contributions

One of the biggest benefits of a Profit Sharing and 401(k) Plan is that it may help you substantially reduce your current taxes. That's because you can deduct your Profit Sharing and 401(k) contributions from your taxable income each year.

- If your business is unincorporated, you can deduct contributions for yourself from your personal income.
- If your business is incorporated, the corporation can generally deduct the contributions as a business expense.

The hypothetical box below shows you how a retirement plan for your business may substantially reduce your current taxes. For example, if you are a self-employed individual and have an unincorporated business, earn \$100,000 in net business profits, and make the maximum contribution, here is how you can potentially save nearly \$6,000 with a Profit Sharing Plan and \$9,000 with a 401(k):

HOW A PROFIT SHARING AND 401(k) PLAN CAN HELP YOU REDUCE TAXES

	Without a Plan	With a Profit Sharing Plan Only	With a 401(k) Option
Net Business Profits	\$100,000	\$100,000	\$100,000
Less Deduction for 1/2 Self-Employment Tax	- 6,602	- 6,602	- 6,602
Less Maximum Contribution (25% of earned income)	- -0-	- 18,679	- 18,679 ²
Less Salary Deferral	- -0-	- -0-	- 11,000 ¹
Taxable Income	= 93,399	= 74,719	= 63,719
Taxes Due ³	28,019	22,415	19,116
Taxes Saved	-0-	\$5,604	\$8,903

¹ With catch-up provisions, individuals 50 and older may defer up to \$12,000 in 2002.

² 3% nonelective contribution is required for each eligible employee, regardless of whether or not they make salary deferrals.

³ Based on a flat 30% tax rate. These calculations assume your self-employed business income is your only income. They also do not take into account any deductions or exemptions for which you may be eligible. Tax savings will vary depending on your individual federal and state tax rates and your personal circumstances.

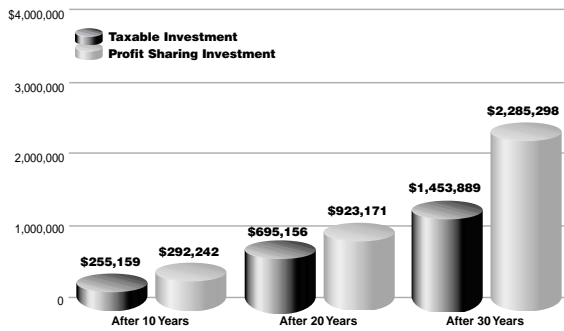
Tax-deferred growth

A Profit Sharing and 401(k) Plan also can help you earn more for your future because you won't have to pay taxes on any of the investment earnings in your plan until you withdraw them, usually at retirement. When your earnings aren't eroded by taxes year after year, they may compound faster. As the illustration below shows, you may accumulate substantially more over the long term

in a tax-deferred retirement plan than in a comparable taxable investment. Furthermore, in many cases you may be able to save more with the 401(k) option as compared to a Profit Sharing Plan only. If you withdraw the plan balance systematically over time, you could further extend the benefits of tax deferral.

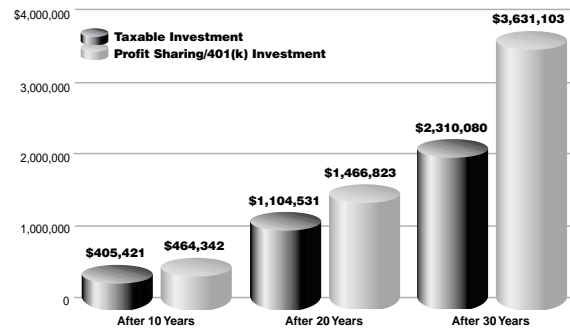
THE POWER OF TAX-DEFERRED GROWTH

Profit Sharing Plan Only
Annual \$18,679 Contribution



This hypothetical example assumes an \$18,679 annual investment, an 8% annual rate of return, compounded annually, and a flat 30% tax rate. The Profit Sharing investments are invested pre-tax, and their earnings grow tax-deferred. The taxable investments are invested after-tax, and their earnings are taxed every year and the tax liability is deducted from the balance. This hypothetical example is for illustrative purposes only and does not represent the performance of any particular investment. Your account may earn more or less than this example.

401(k) Option
Annual \$29,679 Contribution



This hypothetical example assumes a \$29,679 annual investment, an 8% annual rate of return, compounded annually, and a flat 30% tax rate. The Profit Sharing/401(k) investments are invested pre-tax, and their earnings grow tax-deferred. The taxable investments are invested after-tax, and their earnings are taxed every year and the tax liability is deducted from the balance. This hypothetical example is for illustrative purposes only and does not represent the performance of any particular investment. Your account may earn more or less than this example.

WHO BENEFITS FROM THE 401(k) OPTION

Many self-employed individuals and owner-only businesses may find that they can actually save more toward their retirement goals when choosing the 401(k) option. Find yourself on the chart below to see if you could save more with the 401(k).

If your net business profits equal:	Then maximum contribution to a Profit Sharing Plan is:	With 401(k) option and you are under age 50:	With 401(k) option and age 50 or older:
\$ 50,000	\$ 9,294	\$20,294	\$21,294
70,000	13,011	24,011	25,011
90,000	16,728	27,728	28,728
110,000	20,653	31,653	32,653
130,000	24,599	35,599	36,599
150,000	28,546	39,546	40,546
170,000	32,492	40,000	41,000
190,000	36,438	40,000	41,000
\$208,050	\$40,000	\$40,000	\$41,000

You could benefit the most with the 401(k) option if you are:

- A self-employed individual or owner-only business
 - under age 50, with net business profits less than \$208,050 (or W-2 wages less than \$160,000).
 - age 50 or older and take advantage of the 401(k) catch-up contribution. This allows you a \$1,000 increase in salary deferrals for a total of \$12,000 for 2002.

You could benefit the most with the Profit Sharing Plan only if you are:

- A sole proprietor, under age 50, with net business profits (from Schedule C) greater than \$208,050 (or with W-2 wages greater than \$160,000).

Note: Due to the recent tax law changes, you may contribute the same amount to a SEP-IRA — up to 25% of your compensation, not to exceed \$40,000. For more information, please call a Retirement Specialist at 800-544-5373.

PLAN HIGHLIGHTS

	PROFIT SHARING PLAN ONLY	PROFIT SHARING PLAN WITH 401(k) OPTION
Who May Establish	Self-employed individuals and small-business owners with two or more employees, including sole proprietors, partnerships, corporations, and 'S' corporations	Self-employed individuals and owner-only businesses (and spouses), including sole proprietors, partnerships, corporations, and 'S' corporations
Employee Eligibility	<ul style="list-style-type: none"> ■ Must include all employees* under the plan who: <ul style="list-style-type: none"> • Are a minimum age of 21 • Have worked for the employer for at least two years ■ Employer may set more lenient eligibility requirements but not more restrictive ■ Certain employees may be excluded as provided in the Plan Document 	<ul style="list-style-type: none"> ■ Must include all employees under the plan who: <ul style="list-style-type: none"> • Are a minimum age of 21 • Have worked for the employer for at least one year ■ Employer may set more lenient eligibility requirements but not more restrictive ■ Certain employees may be excluded as provided in the Plan Document
Funding Responsibility	<ul style="list-style-type: none"> ■ Employer-funded plan 	<ul style="list-style-type: none"> ■ Employer- and employee-funded plan
Profit Sharing Contribution	<ul style="list-style-type: none"> ■ Maximum employer contribution up to 25% of compensation¹ not to exceed \$40,000 ■ Contributions are discretionary 	<ul style="list-style-type: none"> ■ Maximum employer contribution up to 25% of compensation¹ not to exceed \$40,000³ ■ Contributions are discretionary
Salary Deferral	None	<ul style="list-style-type: none"> ■ Voluntary employee salary deferral up to 100% of compensation¹ not to exceed \$11,000³
Catch-Up Contribution	None	<ul style="list-style-type: none"> ■ An additional salary deferral contribution of \$1,000 is allowed for individuals age 50 or older
Safe Harbor Nonelective Contribution²	None	<ul style="list-style-type: none"> ■ Mandatory Safe Harbor nonelective contribution fixed at 3% of compensation^{1,3}
Vesting	100% immediate vesting	100% immediate vesting
Nondiscrimination Testing	None	None ²
Form 5500 Filing	<ul style="list-style-type: none"> ■ Employer files annual Form 5500 as required by the IRS ■ Annual Valuation Statements provided by Fidelity 	<ul style="list-style-type: none"> ■ Employer files annual Form 5500 as required by the IRS ■ Annual Valuation Statements provided by Fidelity
Investments	<ul style="list-style-type: none"> ■ Fidelity and non-Fidelity mutual funds and individual securities, including stocks, bonds, CDs, and U.S. Treasury bills 	<ul style="list-style-type: none"> ■ Fidelity and non-Fidelity mutual funds and individual securities, including stocks, bonds, CDs, and U.S. Treasury bills
Rollovers	Rollovers and transfers are allowed from Keogh, defined benefit, 401(k), 403(b), and governmental 457(b) plans	Rollovers and transfers are allowed from Keogh, defined benefit, 401(k), 403(b), and governmental 457(b) plans

*Note: If you have leased (temporary) employees who have worked for you for at least one year on a substantially full-time basis, you may be required to cover them under your plan. A "leased employee" is defined as a person who has provided services to the employer for at least one full year under an agreement between a leasing organization and the employer. Refer to the Plan Document for further details.

¹ \$200,000 is the maximum compensation that may be considered. For self-employed individuals, "compensation" means earned income. Compensation for incorporated businesses refers to taxable wages reported on IRS Form W-2.

² A Safe Harbor plan offers the benefits of a 401(k) without the burden of complicated annual nondiscrimination testing.

³ The combination of your profit sharing, nonelective, and salary deferral contributions cannot exceed \$40,000 (or \$41,000 if age 50 or older).

ESTABLISHING AND MAINTAINING YOUR FIDELITY PROFIT SHARING AND 401(k) PLAN

The role of the Plan Administrator

Every plan must have a Plan Administrator — someone who takes care of the administrative responsibilities associated with the plan and makes sure the plan is operating according to the Plan Document. The Plan Administrator's major responsibilities are outlined in the chart on the next page. Because Fidelity's Plan is relatively easy to maintain, the employer usually acts as the Plan Administrator. You may, for example, name another person at your firm or your accountant as the Administrator.

Fidelity simplifies the Administrator's job

Fidelity cannot act as your Plan Administrator, but we can help make your job easier with tax-filing assistance and participant account reports.

Tax-filing assistance: Every year we'll send you a kit to assist you and your tax advisor with the annual Form 5500 tax report filing. This kit will include an easy-to-read Annual Valuation Statement, a detailed instruction booklet to help you fill out the IRS forms, and clear answers to the most commonly asked questions about this report. Please note that with the Safe Harbor 401(k) option you will be responsible for separately accounting for the three different contribution types.

Account reports for your participants: Fidelity also helps you keep your plan participants up-to-date

by sending each of your participants a confirmation of any account transactions and monthly statements reflecting account activity. Where applicable, duplicate participant statements will be sent to the Plan Administrator to help monitor plan activity.

How to make changes to your plan

Adding employees: If you elect the Profit Sharing Plan only and need to add participants to your plan in the future, just call a Fidelity Retirement Specialist. We'll send you the form you need to complete as well as a Summary Plan Description. You'll need to give copies of the Summary Plan Description to your new participants within 90 days after they become eligible to participate in the plan.

Filing amendments: It's easy to amend your Fidelity plan, as long as the changes are permitted by the plan and don't retroactively reduce your participants' benefits. To amend your plan, complete the appropriate enclosed new adoption agreement for your files. If you are amending your existing Profit Sharing Plan to add the Safe Harbor 401(k) feature, you must also submit your new Adoption Agreement to Fidelity. (You may wish to discuss any changes with your tax advisor before you make them.)

Plan deadlines

With either option, there are setup and contribution deadlines to be met as outlined below.

	PLAN SETUP DEADLINE ¹	CONTRIBUTION DEADLINE
Safe Harbor 401(k):	Whether you have an existing Profit Sharing Plan or not, the deadline to establish a Safe Harbor 401(k) plan is 90 days prior to your business fiscal year-end — October 1 for most businesses.	<ul style="list-style-type: none"> ■ Employer profit sharing and nonelective contributions by tax filing deadline, plus extensions ■ Salary deferrals: <ul style="list-style-type: none"> • For W-2 wage earners (including spouses), generally as soon as possible, but no later than the 15th business day following the month in which salary deferrals are withheld • For unincorporated owner-only individuals, by tax filing deadline, plus extensions
Profit Sharing Plan Only:	Whether you have an existing Profit Sharing Plan or not, the deadline to establish a Profit Sharing Plan is by your business fiscal year-end – December 31 for most businesses.	<ul style="list-style-type: none"> ■ Employer profit sharing contributions by tax filing deadline, plus extensions.

¹ For qualifying plans established in 2002, a new non-refundable tax credit may be available to help you offset start-up costs associated with establishing and administering your plan. The credit is available to qualifying plans for the first three years the plan is in operation, up to \$500 per year. In addition, the plan must cover at least one employee who is not a highly compensated employee. Consult with your tax advisor to determine whether your plan may qualify.

MAJOR RESPONSIBILITIES OF THE PLAN ADMINISTRATOR

PROFIT SHARING PLAN AND 401(k) RESPONSIBILITIES

Adopt or Amend a Plan

- Give each participant a Summary Plan Description within 120 days.
- Retain copies of the Plan Document and any plan amendments. Any material changes to the original plan must be furnished to each participant within 210 days after the end of the plan year.

Enroll Eligible Employees

- Monitor plan eligibility requirements to know when your employees are eligible to participate.
- Employees who become eligible must be provided a Summary Plan Description within 90 days.

Obtain Fidelity Bond*

(if there are other participants in the plan)

- When you begin contributing to the plan, obtain a fidelity bond to insure the assets of the plan from losses occurring due to acts or omissions by a fiduciary.

File 5500 Series Forms

- File the 5500 series forms (Annual Return/Report of Employee Benefit Plan), normally by the last day of the 7th month after the end of each plan year (usually July 31). Generally, this is not required for sole-participant plans until the assets reach \$100,000.

Distribute Summary Annual Report

- Each year provide participants a Summary Annual Report within 9 months of close of plan year.

Contribute to the Plan

- Calculate and allocate annual contributions. With the Safe Harbor 401(k) option, you are responsible for separately accounting for the different contribution types.

Review Distribution Requests

- As needed, review distribution requests, including spousal consent requirements, and instruct Fidelity accordingly.

Note: The 401(k) option is designed for owner-only businesses.

ADDITIONAL 401(k) RESPONSIBILITIES

Maintain Salary Deferral Elections

- Provide a Salary Reduction Agreement to each participant, including owners; retain a copy for your files, and monitor salary deferral limits.

Establish New Account(s)

- Establish an account with Fidelity for every eligible employee (even if they decide not to make salary deferrals). You are required to make an annual Safe Harbor nonelective contribution for each eligible employee.

Complete and Submit Contribution Remittance Form

- Complete and submit to Fidelity the enclosed Contribution Remittance Form with each contribution deposit you make to the plan. This form must indicate the contribution source (employee deferral, Safe Harbor nonelective contribution, and profit sharing contribution) and amount for each eligible employee. Keep a copy for your records.

*The term "fidelity bond" is in no way associated with the trade name "Fidelity Investments."

Note: Safe Harbor 401(k) plans with multiple employees are generally required to provide a "Safe Harbor notice" annually to all eligible employees.

CALCULATING YOUR CONTRIBUTIONS

You can calculate your Profit Sharing and, if applicable, 401(k) Plan contributions in a few easy steps. With the 401(k) option, there are three contribution types you will need to calculate, including profit sharing contribution, 3% Safe Harbor nonelective contribution, and salary deferrals. The combination of these contributions cannot exceed \$40,000 per participant per year (\$41,000 if participant is age 50 or older).

Step One: Determine your “compensation.” For a self-employed individual, compensation means earned income — defined as your net business profits reduced by one-half your self-employment tax and the total employer contribution made to your plan. For employees of a small business, including spouses, compensation simply refers to the taxable wages reported on IRS Form W-2.

Step Two:

- Calculate your profit sharing contribution. The maximum allowable is up to 25% of compensation,² not to exceed \$40,000.
- If choosing the 401(k) option, you must make a 3% Safe Harbor nonelective contribution. The combination of your profit sharing and nonelective contributions cannot exceed 25% of compensation (or \$40,000).

Step Three: If choosing the 401(k) option, you may also make a salary deferral contribution of up to 100% of compensation not to exceed \$11,000,

or \$12,000 if age 50 or older.

The steps to determine your Profit Sharing and 401(k) contribution are illustrated below. Next to each calculation you’ll find a hypothetical example for calendar year 2002 that shows the calculations for an individual under 50 years of age, with \$100,000 in net business profits/taxable wages, and who wants to contribute 25% to the Profit Sharing Plan (including the 3% Safe Harbor nonelective contribution) and defer the full \$11,000 under the 401(k) option. (You’ll find more detailed, step-by-step instructions on how to calculate your Profit Sharing and 401(k) contribution on the Contribution Worksheet in the forms section of this booklet.)

Contributions for participants: With a Profit Sharing contribution, you need to contribute the same percentage of each eligible employee’s compensation as you contribute for yourself.

Integration with Social Security: You may want to integrate your Profit Sharing contributions with the Social Security contributions you make for your employees. This allows you to credit the Social Security contributions you make for your employees toward the amount you need to contribute to their Profit Sharing Plan, and thus contribute a higher percentage of compensation for those employees who earn above the Social Security wage base (\$84,900 for 2002). Note: Safe Harbor nonelective contributions may not be integrated with Social Security.

Sample Contribution Calculation Self-Employed (Unincorporated)			Sample Contribution Calculation Self-Employed (Incorporated)		
Step 1: Determine Earned Income	Calculation: Net business profits – 1/2 Self-employment tax deduction ¹ ÷ 1 + % you wish to contribute 0–25% ² <hr/> = Earned Income	2002 example: \$100,000 – 6,602 ÷ 1.25 <hr/> \$74,719 ³	Step 1: Determine Earned Income	Calculation: Taxable Wages <hr/>	2002 example: \$100,000 ³
Step 2: Calculate your Profit Sharing/ Safe Harbor Nonelective Contribution	Earned Income (from Step 1) x % you wish to contribute ² (expressed as a decimal) <hr/> Contribution Amount	\$74,719 x .25 <hr/> \$18,679	Step 2: Calculate your Profit Sharing/ Safe Harbor Nonelective Contribution	Taxable Wages (from Step 1) x % you wish to contribute ² (expressed as a decimal) <hr/> Contribution Amount	\$100,000 x .25 <hr/> \$25,000
Step 3: Add your 401(k) Salary Deferral	PROFIT SHARING ONLY PLANS STOP HERE Salary Deferral (under age 50 up to \$11,000, age 50 or older up to \$12,000) <hr/> Total Contribution Amount	\$11,000 ⁴ <hr/> \$29,679 ⁵	Step 3: Add your 401(k) Salary Deferral	PROFIT SHARING ONLY PLANS STOP HERE Salary Deferral (under age 50 up to \$11,000, age 50 or older up to \$12,000) <hr/> Total Contribution Amount	\$11,000 ⁴ <hr/> \$36,000 ⁵

¹ From your IRS Schedule SE; you may also find the IRS Self Employment Tax formula in the Forms section of this booklet.

² With the 401(k) option, the 25% employer contribution includes the Safe Harbor 3% nonelective contribution.

³ Maximum compensation (earned income/taxable wages) is \$200,000 for 2002.

⁴ The amount cannot exceed your earned income/taxable wages.

⁵ The maximum contribution for 2002 is the lesser of 100% compensation or \$40,000, or \$41,000 if you are age 50 or older.

WITHDRAWING MONEY FROM YOUR PLAN

When you're allowed to take distributions

Participants are allowed to take distributions from the plan when one of the following trigger events occurs: **severance from employment; attainment of age 59½; death, disability, or plan termination.** To withdraw funds from your account before a trigger event occurs would violate the terms of the plan and run the risk of having the entire plan disqualified by the IRS. You may want to consult your tax advisor before taking any distribution.

When you must start taking distributions

In general, participants must begin to take distributions from their plan by April 1 of the year following the year in which they turn 70½. Participants (other than 5% owners) who have not yet retired by age 70½ may delay commencement of minimum required distributions (MRDs) until April 1 of the calendar year following the later of 1) the calendar year in which the participant attains age 70½, or 2) the calendar year in which the participant retires.

Tax considerations on distributions

20% withholding requirement: If any participants are eligible for a distribution, you must notify them that they can have eligible rollover distributions directly “rolled over” into another eligible retirement plan. You must also let them know that if they elect to have any portion paid to them, 20% of their eligible rollover distribution will be withheld for federal income taxes. To avoid this withholding, participants may want to consider rolling eligible assets directly into a Rollover IRA or another qualified plan. Any distributions taken from a Rollover IRA are not subject to the 20% mandatory withholding. If distributions are received in the form of a check made payable to you, 20% of the portion eligible for rollover will be withheld for federal income taxes.

10% early withdrawal penalty: In addition, if the participant is under age 59½ (or under age 55 if separated from service), a 10% IRS early withdrawal penalty may apply to the taxable portion of any amount withdrawn.

When you are ready to take distributions from your plan, Fidelity offers you special services, including:

- Automatic distributions on a regular basis through our Personal Withdrawal Service
- Minimum required distribution (MRD) calculation tools and assistance

THE ADVANTAGES OF A FIDELITY PLAN

A full range of investment choices

You and your employees will have access to **more than 150 Fidelity mutual funds**. Mutual funds are an easy and efficient way to invest, offering the added benefits of professional management and instant diversification¹ among dozens of securities.

Take advantage of Fidelity's money management expertise by choosing to invest in any Fidelity mutual fund — including growth, growth and income, bond, index, and international funds. Visit **Fidelity.com** and click on *mutual funds* to obtain information or view a Fidelity fund prospectus online.

Funds from other well-known fund companies through Fidelity FundsNetwork®:

With FundsNetwork, you have access to more than 4,500 mutual funds. Over 1,100 of the funds are available for your plan:

- With no load²;
- With no minimum investment; and
- Without paying a transaction fee to Fidelity.²

Additional funds are available through FundsNetwork, however, loads, investment minimums, and transaction fees may apply. Please visit **Fidelity.com** for information.

Individual securities, including:

- Individual stocks and corporate bonds
- Government bonds and U.S. Treasuries
- CDs

Fidelity FundsManager ProgramSM: Investors with substantial assets in their retirement accounts may want to consider Fidelity FundsManager.³ Fidelity FundsManager provides active, ongoing professional money management within model mutual fund portfolios for investors with \$50,000 or more to invest in an account. Please call 800-544-3455 for more information.

Services to help meet your needs

Dedicated retirement specialists: At Fidelity, we have a team of knowledgeable representatives dedicated to serving the needs of our retirement investors. They can help you select the plan that may be right for you and answer questions to help you calculate your contribution and help you complete the required paperwork. To reach our dedicated Retirement Specialists, simply call 800-544-5373 between 8 a.m. and 9 p.m. ET, seven days a week.

Resources to help you invest

If you're not sure which type of investment to select, or if you need more assistance planning how much to invest, Fidelity has online tools to assist you in making these important decisions.

- **Fund EvaluatorSM** — Identify and compare Fidelity and non-Fidelity mutual funds according to criteria you specify.
- **Fidelity PortfolioPlannerSM** — Available exclusively to Fidelity customers to help you create an integrated savings and investment plan for retirement and your other goals.
- **Keogh Contribution Calculator** — Use our online calculator to estimate how much you can contribute to your Profit Sharing Plan only.

¹ Some mutual funds are considered "non-diversified." Non-diversified funds tend to be more volatile than diversified funds and the market as a whole. Diversification does not ensure a profit or protect against a loss.

² Other fees and expenses, including those that apply to a continued investment in the fund, are described in the fund's current prospectus. Fidelity Brokerage Services LLC or its brokerage affiliate may receive remuneration for providing certain recordkeeping or shareholder services to these fund families. Fidelity reserves the right to charge a transaction fee under certain circumstances for funds otherwise available without paying such a fee to Fidelity. See the Commission Schedule for complete details.

³ Fidelity FundsManager Program is a service of Strategic Advisers, Inc., a registered investment adviser and a Fidelity Investments company.

Consider these Fidelity Funds for your retirement needs

You can take advantage of Fidelity's money management expertise for your retirement investing. Fidelity Management and Research Company has over 50 years' experience in managing mutual funds. We offer funds to suit any time horizon, investment objective, and risk tolerance for you to build your own retirement portfolio. Choose from over 150 Fidelity funds, including the following funds, or go to Fidelity.com for other fund choices:

Large Cap	
Fidelity Blue Chip Growth Fund	<ul style="list-style-type: none"> Invests in well-known, established large-cap companies that FMR believes have above-average growth potential.
Fidelity Dividend Growth Fund	<ul style="list-style-type: none"> Invests primarily in common stocks that FMR believes have the potential to begin or increase dividend payments. Such dividend growth can be an indication of financial strength.
Fidelity Equity-Income Fund	<ul style="list-style-type: none"> Seeks income and capital appreciation potential through investment in higher-dividend-yielding stocks. Tends to be focused on large, well-established stocks with value characteristics; may also invest in other types of equity and debt securities.
Fidelity Independence Fund (formerly Fidelity Retirement Growth Fund)	<ul style="list-style-type: none"> Designed for investors in tax-qualified accounts seeking long-term capital appreciation. This fund may invest in both "growth" and "value" stocks without regard to the tax consequences of its trading.
Spartan® 500 Index Fund	<ul style="list-style-type: none"> Seeks to provide investment results that correspond to the total return of a broad range of common stocks included in the S&P 500® Index.

Small/Mid-Cap ¹	
Mid-Cap Stock Fund	<ul style="list-style-type: none"> Invests in companies with the market cap range of the S&P® MidCap 400 Index of medium-sized companies. Searches for reasonably valued companies with attractive growth characteristics.
Low-Priced Stock Fund	<ul style="list-style-type: none"> Invests mainly in domestic and foreign stocks with prices at or below \$35 at the time of the purchase. The fund emphasizes fundamental bottom-up research to uncover stocks that may be mispriced or overlooked by the market.

International ²	
Fidelity Diversified International Fund	<ul style="list-style-type: none"> Uses fundamental research — supported by proprietary computer models — to identify some of the best opportunities in today's market.

Bond	
Fidelity Investment Grade Bond Fund	<ul style="list-style-type: none"> Seeks a high level of current income by investing in U.S. dollar-denominated investment-grade bonds. Invests among different market sectors and maturities, with an emphasis on somewhat longer-term securities.

The S&P 500® an unmanaged market capitalization-weighted index of common stocks, is a registered service mark of The McGraw-Hill Companies, Inc., and has been licensed for use by Fidelity Distributors Corporation and its affiliates. All other service and trademarks appearing within are the property of FMR Corp. You cannot invest directly in an index.

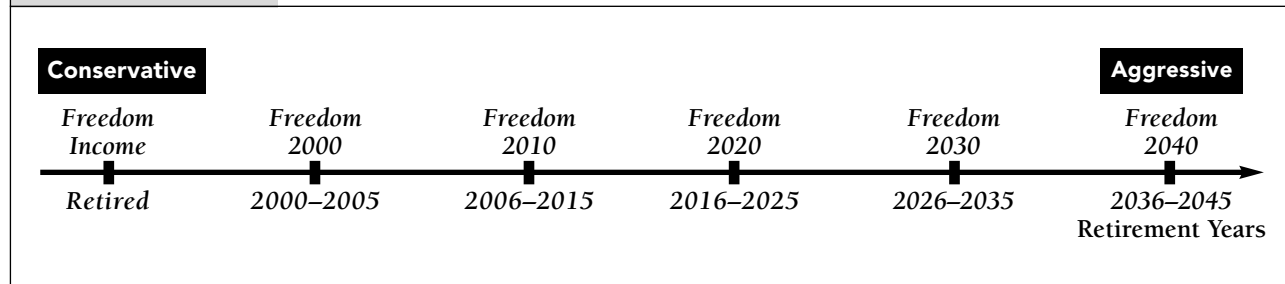
¹ The securities of smaller, lesser-known companies may be more volatile than those of larger companies.

² Foreign investments, especially those in emerging markets, involve greater risk than U.S. investments. These risks include political and economic uncertainties of foreign countries as well as the risk of currency inflation.


Fidelity reserves the right to modify or withdraw the exchange privilege at any time.

Fidelity Freedom Funds® provides a single-fund solution to retirement investing

Freedom Funds fit your needs:	<ul style="list-style-type: none"> Five of the funds are managed to seek high total return for people who intend to retire around the year 2000, 2010, 2020, 2030, or 2040, and the sixth, Fidelity Freedom Income Fund®, is designed for retirees who want high current income with the potential for some capital growth.
Freedom Funds provide a diversified investment plan:	<ul style="list-style-type: none"> Each Fidelity Freedom Fund invests in a diverse mix of Fidelity mutual funds, including stock, bond, and money market funds,¹ according to an asset allocation strategy that is appropriate to the designated target retirement date.
Assets are re-balanced from time to time to minimize risk and maximize return:	<ul style="list-style-type: none"> Each Freedom Fund strategically changes the asset allocations to help your assets grow while you are working/retired and investing for retirement. The allocation mix becomes more conservative as you get closer to your retirement. Within 5 to 10 years after the target retirement date, the asset allocation of each fund will look like the allocation of the Fidelity Freedom Income Fund. At this point, each fund will merge with the Freedom Income Fund.
What you need to do:	<ul style="list-style-type: none"> Simply find the Freedom Fund with the target retirement date closest to the date you plan to retire.



FundsNetwork:



Fidelity's mutual fund supermarket provides access to more than 4,500 mutual funds from over 380 of America's most popular fund companies.

Over 1,100 of the funds are available:

- with no load;
- with no minimum investment; and
- without paying a transaction fee to Fidelity²

Below are just a few of the companies whose funds are available through FundsNetwork with no transaction fee to Fidelity²

■ American Century	■ Manager's Fund	■ PBHG
■ Baron	■ Loomis Sayles	■ PIMCO
■ Berger	■ Neuberger & Berman	■ RS Investments
■ Dreyfus	■ Oakmark	■ Strong

Fidelity's online tools, such as Fund EvaluatorSM and FundsNetwork FundScreens[®], available at Fidelity.com, can help you evaluate which funds may be right for you.

For more complete information on any Freedom funds, including charges and expenses, go to Fidelity.com for a free prospectus or call 800-544-2226. Read it carefully before you invest or send money.

¹ An investment in a money market fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the fund.

² Other fees and expenses, including those which apply to a continued investment in the fund, are described in the fund's current prospectus.

Fidelity Brokerage Services LLC or its brokerage affiliate may receive remuneration for providing certain recordkeeping or shareholder services to these fund families. Fidelity reserves the right to charge a transaction fee under certain circumstances for funds otherwise available without paying such a fee to Fidelity. See the commission information for complete details.

IT'S EASY TO START YOUR FIDELITY SELF-EMPLOYED 401(k)

It's easy to take advantage of all the benefits the Fidelity Self-Employed 401(k) offers. It only takes a few simple steps; you'll find the forms you need on the following pages, as well as the complete plan and trust document that governs your plan.

Step 1. Set up your plan by completing the Adoption Agreement. In order to make contributions for the current year, you'll need to open your Fidelity Self-Employed 401(k) by the applicable establishment deadline, which, for calendar year plans, is generally December 31 for a Profit Sharing Plan only and October 1 for a Profit Sharing Plan with the Safe Harbor 401(k). Simply complete the Adoption Agreement for the type of plan you choose.

Step 2. Establish your account by completing the Plan Account Application(s). Complete an application form for yourself. A separate application form must be completed for you and each eligible employee.

Step 3. Contribute to your plan. Contribute to your plan by the contribution deadlines as follows:

- For profit sharing and 3% nonelective contributions:
 - by your tax filing deadline, plus extensions
- For salary deferrals:
 - if W-2 wages — as soon as possible but no later than the 15th business day following the month in which salary deferrals were withheld or received by the employer
 - if earned income (unincorporated sole proprietor¹) — by your tax filing deadline, plus extensions

To determine how much you can contribute to your Plan, use the Calculation Worksheet located in the Forms section of this booklet.

¹ An unincorporated sole proprietor (or partner) must make a written salary deferral election no later than the plan year-end indicating his or her intention to defer to the plan.

CHECKLIST OF FORMS NEEDED TO ESTABLISH AND ADMINISTER YOUR PROFIT SHARING AND 401(k) PLAN

TO ESTABLISH YOUR PLAN

- Fill out the **Adoption Agreement** to establish (or amend) your Fidelity Profit Sharing Plan or your Fidelity Safe Harbor 401(k)/Profit Sharing Plan.
- Each eligible employee must complete a **Profit Sharing and 401(k) Account Application** to set up a Plan account. For a Profit Sharing Plan only, each account must be returned with an initial minimum investment of \$500.

Please return the original forms in the enclosed envelope or mail to: Fidelity Investments, P.O. Box 770001, Cincinnati, OH 45277-0001. Be sure to keep a copy for your files.

TO CONTRIBUTE TO YOUR PLAN

- With the 401(k) option, each time you contribute to your plan you must include a completed **401(k) Contribution Remittance Form** with your check. With the Profit Sharing only option, you may submit your check with deposit instructions.

FOR YOUR FILES

- We've enclosed a sample **Salary Reduction Agreement** form for you and eligible employees to make a salary deferral election to the plan. You can use the enclosed sample or create your own customized form.

THE FIDELITY SELF-EMPLOYED 401(k) CONTRIBUTION WORKSHEET FOR UNINCORPORATED BUSINESSES

Calculating Your 2002 Plan Year Profit Sharing and 401(k) Plan Contribution

If your business is incorporated, simply multiply your desired deferral percentage and employer contribution percentage by your W-2 wages.

If you are self-employed, the worksheets below and on the other side of this page may help you to calculate Profit Sharing only contributions and additional contributions made through the Safe Harbor 401(k) option. However, you are strongly advised to consult with a tax advisor or accountant when calculating your contribution amounts.

To begin:

- Have your income tax forms nearby (particularly Form 1040 and either Schedule C, Schedule C-EZ, or Schedule K-1). They contain the necessary information to complete your worksheet.

Step 1: Calculate your self-employment tax deduction. Enter this amount in line 2 of the worksheet on the reverse side.

Step 2: Calculate your contributions.

- Your Profit Sharing Plan's yearly maximum deductible contribution is 25% of compensation up to a total of \$40,000 per participant. (Please note: For tax years beginning 1/1/2002, the maximum compensation on which contributions can be based is \$200,000. For self-employed individuals, compensation means earned income).

- If choosing the Safe Harbor 401(k) option, you may also make a maximum salary deferral contribution up to 100% of compensation not to exceed \$11,000 (\$12,000 if age 50 or older). You must also make a Safe Harbor nonelective 3% contribution per participant. The combined percentage of your Profit Sharing and Safe Harbor nonelective contributions cannot exceed 25% of compensation. Total Profit Sharing, nonelective and salary deferral contributions may not exceed \$40,000 per participant for 2002 or \$41,000 if age 50 or older.

Step 3: Call a Fidelity Retirement Specialist toll-free at 800-544-5373 from 8 a.m. to 9 p.m. Eastern time, seven days a week, with any questions you have regarding the worksheet or your plan.

Step 1: Calculate Your Self-Employment Tax Deduction		
	Example	Yourself
1. Net business profits (from Schedule C, C-EZ, or K-1)	\$100,000	_____
2. Multiply Line 1 by .9235	\$ 92,350	_____
3. Multiply Line 2 ¹ by .124; write in this amount or \$10,527 (whichever is less)	\$ 10,527	_____
4. Multiply Line 2 by .029 for your Medicare tax	\$ 2,678	_____
5. Add Lines 3 and 4 for your total self-employment tax	\$ 13,205	_____
6. Multiply Line 5 by .5 for your self-employment tax deduction	\$ 6,602	_____

¹ Your Social Security tax applies to net earnings up to the Social Security wage base of \$84,900 for the 2002 tax year.

Over ►

Step 2: Calculate your contributions

	Example	Yourself
1. Net Business Profits (From Schedule C, C-EZ, or K-1)	1. \$ <u>100,000</u>	_____
2. Deduction for Self-Employment Tax (see box on reverse side) (From IRS Form 1040)	2. \$ <u>6,602</u>	_____
3. Adjusted Net Business Profits (Subtract Line 2 from Line 1)	3. \$ <u>93,398</u>	_____
4. Total Contribution Percentage¹ (expressed as a decimal) (Enter a percentage between 0–25%)	4. <u>.25</u>	_____
5. Safe Harbor Nonelective Contribution (If 401(k) option, enter mandatory 3%. If Profit Sharing Plan only, enter N/A)	5. <u>0.03</u>	_____
6. Profit Sharing Contribution (Subtract Line 5 from Line 4)	6. <u>0.22</u>	_____
7. Contribution Factor (Add 1.00 to Line 4)	7. <u>1.25</u>	_____
8. Adjusted Earned Income (Divide Line 3 by Line 7)	8. \$ <u>74,719</u>	_____
9. Maximum Earned Income (Enter \$200,000 for 2002)	9. \$ <u>200,000</u>	_____
10. Final Earned Income (The lesser of Line 8 and Line 9)	10. \$ <u>74,719</u>	_____
11. Preliminary Salary Deferral Amount² (If 401(k) option, enter up to \$11,000 or up to \$12,000 if age 50 or older. If Profit Sharing Plan only, enter N/A.)	11. \$ <u>11,000</u>	_____
12. Actual Salary Deferral (If 401(k) option, enter the lesser of Line 10 and Line 11. If Profit Sharing Plan only, enter N/A)	12. \$ <u>11,000</u>	_____
13. Safe Harbor Nonelective Contribution Amount (If 401(k) option, multiply Line 10 by Line 5. If Profit Sharing Plan only, enter N/A)	13. \$ <u>2,241</u>	_____
14. Profit Sharing Contribution Amount (Multiply Line 10 by Line 6)	14. \$ <u>16,438</u>	_____
15. Maximum Dollar Contribution Amount (Enter \$40,000 or \$41,000 if 401(k) Plan and age 50 or older)	15. \$ <u>40,000</u>	_____
16. Preliminary Contribution Amount (Add Lines 12, 13, and 14)	16. \$ <u>29,679</u>	_____
17. Final Contribution Amount (The lesser of Line 15 and Line 16)	17. \$ <u>29,679</u>	_____

¹ The total contribution percentage is the combination of your Profit Sharing contribution and Safe Harbor 3% nonelective contribution, as applicable. The total percentage cannot exceed 25%.

² Your salary deferral amount must be in accordance with your Salary Reduction Agreement election made prior to your plan year-end.