Fidelity® Variable Insurance Products:
Money Market Portfolio

Annual Report
December 31, 2013

Fidelity INVESTMENTS®

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To view a fund's proxy voting guidelines and proxy voting record for the 12-month period ended June 30, visit http://www.fidelity.com/proxyvotingresults or visit the Securities and Exchange Commission's (SEC) web site at http://www.sec.gov. You may also call 1-877-208-0098 to request a free copy of the proxy voting guidelines.

Fidelity Variable Insurance Products are separate account options which are purchased through a variable insurance contract.

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This report and the financial statements contained herein are submitted for the general information of the shareholders of the fund. This report is not authorized for distribution to prospective investors in the fund unless preceded or accompanied by an effective prospectus.

A fund files its complete schedule of portfolio holdings with the SEC for the first and third quarters of each fiscal year on Form N-Q. Forms N-Q are available on the SEC's web site at http://www.sec.gov. A fund's Forms N-Q may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information regarding the operation of the SEC's Public Reference Room may be obtained by calling 1-800-SEC-0330. For a complete list of a fund's portfolio holdings, view the most recent holdings listing, semiannual report, or annual report on Fidelity's web site at http://www.fidelity.com, http://www.advisor.fidelity.com, or http://www.401k.com, as applicable.

NOT FDIC INSURED · MAY LOSE VALUE · NO BANK GUARANTEE

Neither the fund nor Fidelity Distributors Corporation is a bank.

Shareholder Expense Example

As a shareholder of the Fund, you incur two types of costs: (1) transaction costs, and (2) ongoing costs, including management fees, distribution and/or service (12b-1) fees and other Fund expenses. This Example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The Example is based on an investment of $1,000 invested at the beginning of the period and held for the entire period (July 1, 2013 to December 31, 2013).

Actual Expenses

The first line of the accompanying table for each class of the Fund provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by $1,000.00 (for example, an $8,600 account value divided by $1,000.00 = 8.6), then multiply the result by the number in the first line for a class of the Fund under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower.

Hypothetical Example for Comparison Purposes

The second line of the accompanying table for each class of the Fund provides information about hypothetical account values and hypothetical expenses based on a Class' actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Class' actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds. The estimate of expenses does not include any fees or other expenses of any variable annuity or variable life insurance product. If they were, the estimate of expenses you paid during the period would be higher, and your ending account value would be lower.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transaction costs. Therefore, the second line of the table is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds.

	Annualized Expense Ratio[B]	Beginning Account Value July 1, 2013	Ending Account Value December 31, 2013	Expenses Paid During Period* July 1, 2013 to December 31, 2013
Initial Class	.24%			
Actual		$ 1,000.00	$ 1,000.10	$ 1.21
Hypothetical[A]		$ 1,000.00	$ 1,024.00	$ 1.22
Service Class	.25%			
Actual		$ 1,000.00	$ 1,000.10	$ 1.26
Hypothetical[A]		$ 1,000.00	$ 1,023.95	$ 1.28
Service Class 2	.24%			
Actual		$ 1,000.00	$ 1,000.10	$ 1.21
Hypothetical[A]		$ 1,000.00	$ 1,024.00	$ 1.22
Investor Class	.25%			
Actual		$ 1,000.00	$ 1,000.10	$ 1.26
Hypothetical[A]		$ 1,000.00	$ 1,023.95	$ 1.28

[A] *5% return per year before expenses*

[B] *Annualized expense ratio reflects expenses net of applicable fee waivers.*

* *Expenses are equal to each Class' annualized expense ratio, multiplied by the average account value over the period, multiplied by 184/365 (to reflect the one-half year period).*

Investment Changes/Performance (Unaudited)

Effective Maturity Diversification

Days	% of fund's investments 12/31/13	% of fund's investments 6/30/13	% of fund's investments 12/31/12
1 – 7	24.4	28.8	28.8
8 – 30	23.7	20.5	19.2
31 – 60	18.7	14.6	20.9
61 – 90	10.5	17.5	11.3
91 – 180	16.2	15.7	15.5
> 180	6.5	2.9	4.3

Effective maturity is determined in accordance with the requirements of Rule 2a-7 under the Investment Company Act of 1940.

Weighted Average Maturity

	12/31/13	6/30/13	12/31/12
VIP Money Market Portfolio	58 Days	58 Days	52 Days
All Taxable Money Market Funds Average*	47 Days	50 Days	45 Days

This is a weighted average of all the maturities of the securities held in a fund. Weighted Average Maturity (WAM) can be used as a measure of sensitivity to interest rate changes and market changes. Generally, the longer the maturity, the greater the sensitivity to such changes. WAM is based on the dollar-weighted average length of time until principal payments must be paid. Depending on the types of securities held in a fund, certain maturity shortening devices (e.g., demand features, interest rate resets, and call options) may be taken into account when calculating the WAM.

* *Source: iMoneyNet, Inc.*

Weighted Average Life

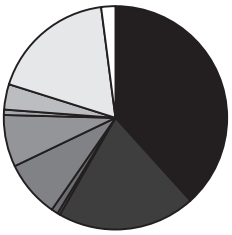
	12/31/13	6/30/13	12/31/12
VIP Money Market Portfolio	105 Days	84 Days	89 Days

Weighted Average Life (WAL) is the weighted average of the life of the securities held in a fund or portfolio and can be used as a measure of sensitivity to changes in liquidity and/or credit risk. Generally, the higher the value, the greater the sensitivity. WAL is based on the dollar-weighted average length of time until principal payments must be paid, taking into account any call options exercised by the issuer and any permissible maturity shortening features other than interest rate resets. The difference between WAM and WAL is that WAM takes into account interest rate resets and WAL does not. WAL for money market funds is not the same as WAL of a mortgage- or asset-backed security.

Asset Allocation (% of fund's net assets)

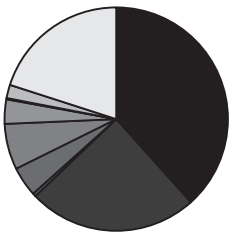
As of December 31, 2013

Certificates of Deposit	38.3%
Commercial Paper	20.0%
Variable Rate Demand Notes (VRDNs)	0.4%
Other Notes	1.0%
Treasury Debt	8.2%
Government Agency Debt	7.5%
Other Municipal Debt	0.8%
Other Instruments	3.7%
Repurchase Agreements	18.1%
Net Other Assets (Liabilities)	2.0%



As of June 30, 2013

Certificates of Deposit	38.5%
Commercial Paper	24.6%
Variable Rate Demand Notes (VRDNs)	0.5%
Other Notes	4.3%
Treasury Debt	6.7%
Government Agency Debt	3.5%
Other Municipal Debt	0.2%
Other Instruments	2.0%
Repurchase Agreements	20.1%
Net Other Assets (Liabilities)**	(0.4)%



** *Net Other Assets (Liabilities) are not included in the pie chart.*

Current and Historical Seven-Day Yields

	12/31/13	9/30/13	6/30/13	3/31/13	12/31/12
VIP Money Market Portfolio – Initial Class	0.01%	0.01%	0.01%	0.05%	0.08%
VIP Money Market Portfolio – Service Class	0.01%	0.01%	0.01%	0.01%	0.01%
VIP Money Market Portfolio – Service Class 2	0.01%	0.01%	0.01%	0.01%	0.01%
VIP Money Market Portfolio – Investor Class	0.01%	0.01%	0.01%	0.03%	0.07%

Yield refers to the income paid by the fund over a given period. Yields for money market funds are usually for seven-day periods, as they are here, though they are expressed as annual percentage rates. Past performance is no guarantee of future results. Yield will vary and it's possible to lose money investing in the Fund. A portion of the Fund's expenses was reimbursed and/or waived. Absent such reimbursements and/or waivers the yield for the period ending December 31, 2013, the most recent period shown in the table, would have been 0.00% for Initial Class, –0.09% for Service Class, –0.25% for Service Class 2 and –0.02% for Investor Class.

Investments December 31, 2013

Showing Percentage of Net Assets

Certificate of Deposit — 38.3%

	Yield (a)	Principal Amount	Value
Domestic Certificates Of Deposit – 5.7%			
Citibank NA			
2/3/14 to 5/20/14	0.21 to 0.31%	$106,000,000	$106,000,000
Fifth Third Bank, Cincinnati			
2/3/14 to 2/18/14	0.30 to 0.32	12,000,000	12,000,000
RBS Citizens NA			
1/8/14	0.30	11,000,000	11,000,000
Wells Fargo & Co.			
3/12/14	0.19 (c)	5,000,000	5,000,000
			134,000,000
London Branch, Eurodollar, Foreign Banks – 2.7%			
National Australia Bank Ltd.			
2/21/14 to 4/8/14	0.19 to 0.25 (c)	64,000,000	64,000,000
New York Branch, Yankee Dollar, Foreign Banks – 29.9%			
Bank of Montreal Chicago CD Program			
2/3/14 to 9/12/14	0.20 to 0.21 (c)	25,000,000	25,000,000
Bank of Nova Scotia			
1/3/14 to 6/10/14	0.20 to 0.29 (c)	43,000,000	43,000,000
Bank of Tokyo-Mitsubishi UFJ Ltd.			
1/13/14 to 5/15/14	0.25 to 0.72 (c)	100,000,000	100,009,188
BNP Paribas New York Branch			
4/10/14 to 4/14/14	0.25	15,000,000	15,000,000
Canadian Imperial Bank of Commerce			
6/2/14 to 9/12/14	0.22 to 0.29 (c)	36,000,000	36,000,000
Credit Suisse AG			
2/10/14 to 7/9/14	0.30 to 0.32 (c)	50,000,000	50,000,000
DnB NOR Bank ASA			
1/31/14	0.20	4,000,000	4,000,183
Mitsubishi UFJ Trust & Banking Corp.			
2/21/14	0.32	2,000,000	2,000,000
Mizuho Corporate Bank Ltd.			
1/23/14 to 5/2/14	0.25	67,000,000	67,000,000
Natexis Banques Populaires New York Branch			
2/4/14 to 2/10/14	0.24	40,000,000	40,000,000
National Bank of Canada			
3/11/14 to 6/19/14	0.30 to 0.34 (c)	53,000,000	52,996,608
Nordea Bank AB			
4/14/14	0.20	22,000,000	22,000,000
Royal Bank of Canada			
6/3/14	0.22 (c)	8,000,000	8,000,000
Skandinaviska Enskilda Banken			
3/20/14	0.24	8,000,000	8,000,000
Sumitomo Mitsui Banking Corp.			
1/2/14 to 6/16/14	0.22 to 0.31 (c)	117,000,000	117,000,001
Sumitomo Mitsui Trust Banking Ltd.			
2/4/14 to 5/5/14	0.26 to 0.27	53,000,000	53,000,000
Toronto-Dominion Bank			
4/7/14 to 9/10/14	0.21 to 0.25	22,000,000	22,000,000
UBS AG			
4/30/14 to 7/11/14	0.26 to 0.29% (c)	$33,000,000	$ 33,000,000
			698,005,980
TOTAL CERTIFICATE OF DEPOSIT (Cost $896,005,980)			**896,005,980**

Financial Company Commercial Paper — 13.2%

	Yield (a)	Principal Amount	Value
Barclays Bank PLC/Barclays U.S. CCP Funding LLC			
1/13/14 to 2/5/14	0.24	6,000,000	5,999,213
Barclays U.S. Funding Corp.			
3/20/14	0.23	9,000,000	8,995,515
BAT International Finance PLC			
1/23/14 to 1/24/14	0.26 to 0.27	3,000,000	2,999,496
BNP Paribas Finance, Inc.			
2/4/14 to 4/14/14	0.22 to 0.25	56,000,000	55,972,869
Commonwealth Bank of Australia			
3/28/14	0.26 (c)	24,000,000	24,003,023
Credit Suisse AG			
4/1/14 to 4/7/14	0.28	12,000,000	11,991,413
Deutsche Bank Financial LLC			
2/27/14	0.22	36,000,000	35,987,460
DNB Bank ASA			
1/21/14	0.22	8,000,000	7,999,022
General Electric Capital Corp.			
5/1/14 to 5/5/14	0.22	6,000,000	5,995,539
JPMorgan Chase & Co.			
2/3/14 to 3/7/14	0.27 (c)	31,000,000	31,000,000
Natexis Banques Populaires U.S. Finance Co. LLC			
2/18/14	0.24	24,000,000	23,992,320
Nationwide Building Society			
1/3/14 to 3/25/14	0.23 to 0.24	14,000,000	13,993,334
Skandinaviska Enskilda Banken AB			
1/9/14 to 3/25/14	0.20 to 0.24	32,000,000	31,985,209
Societe Generale North America, Inc.			
1/31/14	0.25	25,000,000	24,994,792
Swedbank AB			
2/10/14	0.24	16,000,000	15,995,733
Toronto Dominion Holdings (U.S.A.)			
2/18/14	0.25	6,000,000	5,998,000
TOTAL FINANCIAL COMPANY COMMERCIAL PAPER (Cost $307,902,938)			**307,902,938**

See accompanying notes which are an integral part of the financial statements.

Asset Backed Commercial Paper — 3.6%

	Yield (a)	Principal Amount	Value
Ciesco LP (Citibank NA Guaranteed)			
2/3/14	0.31% (b)	$ 5,000,000	$ 4,998,579
Gotham Funding Corp. (Liquidity Facility Bank of Tokyo-Mitsubishi UFJ Ltd.)			
1/6/14	0.20	11,000,000	10,999,694
Govco, Inc. (Liquidity Facility Citibank NA)			
2/11/14	0.27	32,000,000	31,990,160
3/26/14	0.20	9,000,000	8,995,800
Liberty Street Funding LLC (Bank of Nova Scotia Guaranteed)			
2/14/14	0.19	5,000,000	4,998,839
Sheffield Receivables Corp. (Barclays Bank PLC Guaranteed)			
1/6/14	0.20	11,000,000	10,999,694
1/14/14	0.25	10,000,000	9,999,097
TOTAL ASSET BACKED COMMERCIAL PAPER (Cost $82,981,863)			**82,981,863**

Other Commercial Paper — 3.2%

Comcast Corp.			
1/16/14 to 1/17/14	0.25 to 0.26	10,000,000	9,998,922
Devon Energy Corp.			
1/30/14	0.31 (c)	10,000,000	10,000,000
JPMorgan Securities LLC			
5/23/14	0.30	27,000,000	26,968,050
Motiva Enterprises LLC			
1/10/14	0.32	2,000,000	1,999,840
Northeast Utilities			
1/6/14 to 1/7/14	0.21 to 0.22	5,000,000	4,999,838
PNC Bank NA			
4/17/14	0.27	3,000,000	3,000,000
The Coca-Cola Co.			
5/2/14 to 5/5/14	0.19	6,000,000	5,996,121
Toyota Motor Credit Corp.			
3/13/14	0.20 (c)	8,000,000	8,000,000
Virginia Electric & Power Co.			
1/27/14	0.26	4,000,000	3,999,249
TOTAL OTHER COMMERCIAL PAPER (Cost $74,962,020)			**74,962,020**

Treasury Debt — 8.2%

	Yield (a)	Principal Amount	Value
U.S. Treasury Obligations – 8.2%			
U.S. Treasury Bills			
1/16/14 to 10/16/14	0.13 to 0.16%	$84,000,000	$ 83,955,974
U.S. Treasury Notes			
2/15/14 to 11/15/14	0.10 to 0.18	106,800,000	107,864,088
TOTAL TREASURY DEBT (Cost $191,820,062)			**191,820,062**

Other Note — 1.0%

Medium-Term Notes – 1.0%			
Dominion Resources, Inc.			
2/13/14	0.36 (b)(c)	6,000,000	6,000,000
Svenska Handelsbanken AB			
6/13/14 to 6/27/14	0.27 to 0.28 (b)(c)	18,000,000	18,000,000
TOTAL OTHER NOTE (Cost $24,000,000)			**24,000,000**

Variable Rate Demand Note — 0.4%

Delaware – 0.1%			
Delaware Econ. Dev. Auth. Rev. (Delmarva Pwr. & Lt. Co. Proj.) Series 1988, VRDN			
1/2/14	0.60 (c)(d)	1,900,000	1,900,000
Florida – 0.0%			
Palm Beach County Rev. (The Norton Gallery and School of Arts, Inc. Proj.) Series 2000, LOC Bank of America NA, VRDN			
1/7/14	0.11 (c)	1,100,000	1,100,000
Indiana – 0.3%			
Indiana Edl. Facilities Auth. Rev. (Franklin College Proj.) Series 2003, LOC JPMorgan Chase Bank, VRDN			
1/7/14	0.08 (c)	7,200,000	7,200,000
TOTAL VARIABLE RATE DEMAND NOTE (Cost $10,200,000)			**10,200,000**

See accompanying notes which are an integral part of the financial statements.

Government Agency Debt — 7.5%

	Yield (a)	Principal Amount	Value
Federal Agencies – 7.5%			
Fannie Mae			
9/11/14 to 10/21/15	0.15% (c)	$37,000,000	$ 36,993,817
Federal Home Loan Bank			
3/25/14 to 10/23/15	0.15 to 0.25 (c)	84,720,000	84,718,135
Freddie Mac			
6/26/15 to 10/16/15	0.15 to 0.16 (c)	54,000,000	53,993,615
TOTAL GOVERNMENT AGENCY DEBT (Cost $175,705,567)			**175,705,567**

Other Instrument — 3.7%

Time Deposits – 3.7%			
Credit Agricole CIB			
1/2/14	0.05	19,000,000	19,000,000
ING Bank NV			
1/6/14	0.12	15,000,000	15,000,000
Natixis SA (TD)			
1/6/14	0.14	52,000,000	52,000,000
TOTAL OTHER INSTRUMENT (Cost $86,000,000)			**86,000,000**

Other Municipal Debt — 0.8%

Massachusetts – 0.1%		
Massachusetts Indl. Fin. Agcy. Poll. Cont. Rev. Bonds (New England Pwr. Co. Proj.) Series 1992, 0.3% tender 1/16/14, CP mode	2,200,000	2,200,000
New Hampshire – 0.2%		
New Hampshire Bus. Fin. Auth. Poll. Cont. Rev. Bonds (New England Pwr. Co. Proj.) Series 1990 A2, 0.35% tender 1/15/14, CP mode (d)	5,000,000	5,000,000
Texas – 0.5%		
Texas Gen. Oblig. TRAN Series 2013, 0.1909% to 0.1959% 8/28/14	10,600,000	10,725,202
TOTAL OTHER MUNICIPAL DEBT (Cost $17,925,202)		**17,925,202**

Government Agency Repurchase Agreement — 7.7%

	Maturity Amount	Value
In a joint trading account at 0.03% dated 12/31/13 due 1/2/14 (Collateralized by U.S. Government Obligations) #	$173,180,321	$173,180,000
With Mitsubishi UFJ Securities (U.S.A.), Inc. at 0.17%, dated 12/16/13 due 1/7/14 (Collateralized by U.S. Treasury Obligations valued at $7,140,574, 3.5% – 5.4%, 11/1/25 – 6/1/43)	7,004,297	7,000,000
TOTAL GOVERNMENT AGENCY REPURCHASE AGREEMENT (Cost $180,180,000)		**180,180,000**

Other Repurchase Agreement — 10.4%

Other Repurchase Agreement – 10.4%		
With:		
BNP Paribas Securities Corp. at:		
0.28%, dated 12/31/13 due 1/2/14 (Collateralized by U.S. Treasury Obligations valued at $18,360,286, 4%, 11/20/43	18,000,280	18,000,000
0.3%, dated 12/12/13 due 1/7/14 (Collateralized by Corporate Obligations valued at $3,168,923, 5.25%, 11/15/43	3,001,575	3,000,000
0.48%, dated 12/9/13 due 1/7/14 (Collateralized by Corporate Obligations valued at $1,080,347, 6.45% – 8%, 6/15/21 – 11/1/31)	1,000,840	1,000,000
Citigroup Global Markets, Inc. at:		
0.85%, dated 10/18/13 due 1/16/14 (Collateralized by Equity Securities valued at $3,245,861)	3,006,375	3,000,000
0.87%, dated 11/26/13 due 2/24/14 (Collateralized by Equity Securities valued at $1,080,986)	1,002,175	1,000,000
0.98%, dated 11/21/13 due 4/7/14 (Collateralized by Corporate Obligations valued at $5,406,994, 0.36% – 6.46%, 3/27/28 – 1/15/49)	5,024,500	5,000,000

See accompanying notes which are an integral part of the financial statements.

Other Repurchase Agreement – continued

	Maturity Amount	Value
Other Repurchase Agreement – continued		
With: – continued		
Credit Suisse Securities (U.S.A.) LLC at:		
0.14%, dated 12/31/13 due 1/7/14 (Collateralized by U.S. Government Obligations valued at $3,091,826, 2.45%, 10/16/47)	$ 3,000,082	$ 3,000,000
0.64%, dated:		
10/7/13 due 1/6/14 (Collateralized by Mortgage Loan Obligations valued at $2,163,580, 0% – 5.96%, 2/28/35 – 6/25/47)	2,003,236	2,000,000
10/15/13 due 1/10/14 (Collateralized by Corporate Obligations valued at $4,325,930, 0.3% – 7.7%, 5/15/27 – 10/17/48)	4,006,187	4,000,000
0.71%, dated:		
10/17/13 due 4/16/14 (Collateralized by Corporate Obligations valued at $2,165,175, 0.65% – 5.19%, 7/25/34 – 9/25/46)	2,007,139	2,000,000
10/22/13 due 4/21/14 (Collateralized by Corporate Obligations valued at $2,165,312, 0.38% – 1.44%, 12/25/33 – 6/25/47)	2,007,139	2,000,000
11/4/13 due 5/2/14 (Collateralized by Corporate Obligations valued at $2,164,494, 0.28% – 2.16%, 1/25/31 – 11/25/47)	2,007,061	2,000,000
11/12/13 due 5/9/14 (Collateralized by Corporate Obligations valued at $6,489,470, 0.28% – 5.81%, 11/25/36 – 11/25/47)	6,021,063	6,000,000
12/6/13 due 6/4/14 (Collateralized by Corporate Obligations valued at $4,325,266, 0.49% – 7.94%, 12/15/30 – 9/25/46)	4,014,200	4,000,000
0.75%, dated 7/25/13 due 1/21/14 (Collateralized by Corporate Obligations valued at $1,086,628, 5.19%, 9/25/46)	1,003,750	1,000,000
ING Financial Markets LLC at:		
0.16%, dated 12/31/13 due 1/2/14 (Collateralized by Corporate Obligations valued at $26,250,898, 1.4% – 10.75%, 11/21/14 – 5/15/67)	25,000,222	25,000,000
0.29%, dated 12/13/13 due 1/7/14 (Collateralized by Equity Securities valued at $2,170,805)	2,000,516	2,000,000
J.P. Morgan Clearing Corp. at:		
0.49%, dated 11/8/13 due 3/31/14 (Collateralized by Equity Securities valued at $2,175,548)	$ 2,004,083	$ 2,000,000
0.53%, dated 11/1/13 due 4/30/14 (Collateralized by Equity Securities valued at $4,351,755)	4,010,600	4,000,000
0.59%, dated 12/9/13 due 4/8/14 (Collateralized by Corporate Obligations valued at $4,350,307, 3.75%, 10/1/14)	4,007,867	4,000,000
0.6%, dated 10/17/13 due 2/14/14 (Collateralized by Corporate Obligations valued at $4,353,373, 2.25%, 5/1/32)	4,008,000	4,000,000
0.62%, dated:		
10/8/13 due 3/31/14 (Collateralized by Corporate Obligations valued at $4,354,277, 2.25%, 5/1/32)	4,014,467	4,000,000
12/18/13 due 5/16/14 (Collateralized by Corporate Obligations valued at $4,348,953, 2.25%, 5/1/32)	4,010,264	4,000,000
J.P. Morgan Securities, Inc. at:		
0.13%, dated 12/31/13 due 1/2/14 (Collateralized by Commercial Paper valued at $1,034,534, 3/27/14)	1,000,007	1,000,000
0.15%, dated 12/31/13 due 1/7/14 (Collateralized by U.S. Government Obligations valued at $4,120,378, 11.55%, 12/15/43)	4,000,117	4,000,000
0.61%, dated 11/13/13 due 3/13/14 (Collateralized by Mortgage Loan Obligations valued at $4,323,607, 2.74% – 6%, 1/25/37 – 7/25/46)	4,008,133	4,000,000
0.62%, dated:		
10/7/13 due 3/31/14 (Collateralized by Mortgage Loan Obligations valued at $7,571,192, 0.44% – 4.74%, 5/25/35 – 5/25/37)	7,025,317	7,000,000
11/13/13 due 3/31/14 (Collateralized by Mortgage Loan Obligations valued at $4,323,899, 2.74% – 5.73%, 3/25/37 – 4/15/49)	4,018,669	4,000,000
0.65%, dated 7/19/13 due 3/31/14 (Collateralized by Mortgage Loan Obligations valued at $10,832,288, 0.32%, 12/25/46)	10,048,569	10,000,000

See accompanying notes which are an integral part of the financial statements.

Other Repurchase Agreement – continued

	Maturity Amount	Value
Other Repurchase Agreement – continued		
With: – continued		
Merrill Lynch, Pierce, Fenner & Smith at:		
0.23%, dated:		
12/18/13 due 1/3/14 (Collateralized by U.S. Government Obligations valued at $11,331,086, 2% – 3%, 1/25/38 – 4/25/40)	$ 11,001,124	$ 11,000,000
12/24/13 due 1/3/14 (Collateralized by U.S. Government Obligations valued at $1,030,059, 2.5% 5/15/32)	1,000,064	1,000,000
0.26%, dated 12/27/13 due 1/3/14 (Collateralized by Equity Securities valued at $11,880,518)	11,000,556	11,000,000
0.53%, dated 12/31/13 due 1/7/14 (Collateralized by Corporate Obligations valued at $4,344,734, 0.89% – 6.15%, 7/24/37 – 9/25/43) (c)(e)	4,000,412	4,000,000
0.73%, dated 12/10/13 due 2/7/14 (Collateralized by Equity Securities valued at $8,644,031)	8,009,571	8,000,000
0.85%, dated:		
12/6/13 due 2/7/14 (Collateralized by Mortgage Loan Obligations valued at $2,184,068, 0.35% – 6.15%, 9/19/35 – 9/25/46)	2,002,975	2,000,000
12/16/13 due 2/7/14 (Collateralized by Mortgage Loan Obligations valued at $5,402,168, 0.35% – 6%, 9/25/36 – 7/25/47)	5,006,257	5,000,000
Mitsubishi UFJ Securities (U.S.A.), Inc. at 0.29%, dated 12/17/13 due 1/7/14 (Collateralized by Equity Securities valued at $17,282,196)	16,003,867	16,000,000
Mizuho Securities U.S.A., Inc. at:		
0.3%, dated:		
12/17/13 due 1/2/14 (Collateralized by U.S. Treasury Obligations valued at $2,040,335, 0.06%, 3/20/14)	2,000,267	2,000,000
12/30/13 due 1/7/14 (Collateralized by U.S. Treasury Obligations valued at $2,040,135, 0.06%, 3/20/14)	2,000,250	2,000,000
0.52%, dated 12/2/13 due 1/2/14 (Collateralized by U.S. Government Obligations valued at $2,252,674, 2.59% – 6.53%, 9/15/25 – 9/16/50)	$ 2,000,896	$ 2,000,000
0.92%, dated:		
10/23/13 due 1/21/14 (Collateralized by Corporate Obligations valued at $1,072,291, 0.33% – 7.26%, 9/16/19 – 10/20/63)	1,002,300	1,000,000
11/4/13 due 2/3/14 (Collateralized by Corporate Obligations valued at $2,123,088, 0.25% – 3.92%, 11/30/15 – 10/15/39)	2,004,651	2,000,000
11/12/13 due 2/10/14 (Collateralized by U.S. Government Obligations valued at $2,078,198, 0.33% – 6.28%, 2/25/37 – 10/25/41)	2,004,600	2,000,000
12/4/13 due 3/4/14 (Collateralized by Corporate Obligations valued at $4,323,246, 0.25% – 0.81%, 12/15/15 – 11/25/36)	4,009,200	4,000,000
1.1%, dated:		
9/9/13 due 1/9/14 (Collateralized by Mortgage Loan Obligations valued at $2,199,004, 0.33% – 6.25%, 10/24/23 – 9/16/50)	2,007,456	2,000,000
10/30/13 due 2/27/14 (Collateralized by Corporate Obligations valued at $2,231,850, 4.41% – 7.86%, 9/16/19 – 6/15/20)	2,007,333	2,000,000
RBC Capital Markets Co. at:		
0.24%, dated 12/27/13 due 1/3/14 (Collateralized by U.S. Government Obligations valued at $2,055,830, 3% – 5.78%, 2/1/27 – 11/20/43)	2,000,093	2,000,000
0.31%, dated 12/23/13 due 1/7/14 (Collateralized by U.S. Government Obligations valued at $3,085,173, 3% – 11.26%, 4/25/24 – 11/1/43)	3,002,351	3,000,000
RBS Securities, Inc. at 0.6%, dated 12/31/13 due 1/7/14 (Collateralized by U.S. Government Obligations valued at $6,180,084, 5.99% – 6.39%, 11/25/39 – 8/25/41)	6,000,700	6,000,000

See accompanying notes which are an integral part of the financial statements.

Other Repurchase Agreement – continued

	Maturity Amount	Value
Other Repurchase Agreement – continued		
With: – continued		
SG Americas Securities, LLC at:		
0.23%, dated 12/31/13 due 1/7/14 (Collateralized by Equity Securities valued at $2,160,067)	$ 2,000,089	$ 2,000,000
0.26%, dated:		
12/26/13 due 1/2/14 (Collateralized by Equity Securities valued at $5,400,305)	5,000,253	5,000,000
12/27/13 due 1/3/14 (Collateralized by Equity Securities valued at $4,320,544)	4,000,202	4,000,000
0.28%, dated 12/30/13 due 1/6/14 (Collateralized by Equity Securities valued at $3,240,194)	3,000,163	3,000,000
UBS Securities LLC at 0.44%, dated:		
10/8/13 due 1/7/14 (Collateralized by Corporate Obligations valued at $3,243,574, 1.88% – 5%, 8/1/16 – 9/15/32)	3,003,373	3,000,000
10/15/13 due 1/7/14 (Collateralized by Corporate Obligations valued at $2,163,204, 1.13% – 5%, 5/15/16 – 2/15/33)	2,002,249	2,000,000
TOTAL OTHER REPURCHASE AGREEMENT (Cost $243,000,000)		**243,000,000**
TOTAL INVESTMENT PORTFOLIO – 98.0% (Cost $2,290,683,632)		**2,290,683,632**
NET OTHER ASSETS (LIABILITIES) – 2.0%		**46,065,310**
NET ASSETS – 100%		**$ 2,336,748,942**

Security Type Abbreviations

CP — COMMERCIAL PAPER

TRAN — TAX AND REVENUE ANTICIPATION NOTE

VRDN — VARIABLE RATE DEMAND NOTE (A debt instrument that is payable upon demand, either daily, weekly or monthly)

Legend

(a) Yield represents either the annualized yield at the date of purchase, or the stated coupon rate, or, for floating and adjustable rate securities, the rate at period end.

(b) Security exempt from registration under Rule 144A of the Securities Act of 1933. These securities may be resold in transactions exempt from registration, normally to qualified institutional buyers. At the end of the period, the value of these securities amounted to $28,998,579 or 1.2% of net assets.

(c) Coupon rates for floating and adjustable rate securities reflect the rates in effect at period end.

(d) Private activity obligations whose interest is subject to the federal alternative minimum tax for individuals.

(e) The maturity amount is based on the rate at period end.

Additional information on each counterparty to the repurchase agreement is as follows:

Repurchase Agreement / Counterparty	Value
$173,180,000 due 1/02/14 at 0.03%	
BNY Mellon Capital Markets LLC	$ 20,434,161
Mizuho Securities USA, Inc.	144,467,631
Morgan Stanley & Co., Inc.	8,278,208
	$ 173,180,000

Other Information

The date shown for securities represents the date when principal payments must be paid, taking into account any call options exercised by the issuer and any permissible maturity shortening features other than interest rate resets.

All investments are categorized as Level 2 under the Fair Value Hierarchy. The inputs or methodology used for valuing securities may not be an indication of the risk associated with investing in those securities. For more information on valuation inputs, please refer to the Security Valuation section in the accompanying Notes to Financial Statements.

See accompanying notes which are an integral part of the financial statements.

Financial Statements

Statement of Assets and Liabilities

		December 31, 2013
Assets		
Investment in securities, at value (including repurchase agreements of $423,180,000) — See accompanying schedule:		
Unaffiliated issuers (cost $2,290,683,632)		$2,290,683,632
Cash		3,194
Receivable for investments sold		40,001,075
Receivable for fund shares sold		8,238,530
Interest receivable		1,094,468
Prepaid expenses		5,008
Other receivables		21,725
Total assets		2,340,047,632
Liabilities		
Payable for fund shares redeemed	$ 2,675,679	
Distributions payable	96	
Accrued management fee	329,560	
Distribution and service plan fees payable	39,727	
Other affiliated payables	171,405	
Other payables and accrued expenses	82,223	
Total liabilities		3,298,690
Net Assets		$2,336,748,942
Net Assets consist of:		
Paid in capital		$2,336,677,989
Accumulated undistributed net realized gain (loss) on investments		70,953
Net Assets		$2,336,748,942

Statement of Assets and Liabilities – continued

	December 31, 2013
Initial Class:	
Net Asset Value, offering price and redemption price per share ($980,119,634 ÷ 980,218,144 shares)	$ 1.00
Service Class:	
Net Asset Value, offering price and redemption price per share ($117,757,824 ÷ 117,753,716 shares)	$ 1.00
Service Class 2:	
Net Asset Value, offering price and redemption price per share ($144,265,873 ÷ 144,252,082 shares)	$ 1.00
Investor Class:	
Net Asset Value, offering price and redemption price per share ($1,094,605,611 ÷ 1,094,379,717 shares)	$ 1.00

See accompanying notes which are an integral part of the financial statements.

Statement of Operations

		Year ended December 31, 2013
Investment Income		
Interest (including $431 from affiliated interfund lending)		$ 6,083,120
Expenses		
Management fee	$ 3,677,732	
Transfer agent fees	1,800,725	
Distribution and service plan fees	458,077	
Accounting fees and expenses	209,102	
Custodian fees and expenses	52,144	
Independent trustees' compensation	8,377	
Registration fees	5,715	
Audit	50,266	
Legal	6,553	
Miscellaneous	13,694	
Total expenses before reductions	6,282,385	
Expense reductions	(663,773)	5,618,612
Net investment income (loss)		464,508
Realized and Unrealized Gain (Loss)		
Net realized gain (loss) on:		
Investment securities:		
Unaffiliated issuers		52,762
Net increase in net assets resulting from operations		$ 517,270

Statement of Changes in Net Assets

	Year ended December 31, 2013	Year ended December 31, 2012
Increase (Decrease) in Net Assets		
Operations		
Net investment income (loss)	$ 464,508	$ 2,396,628
Net realized gain (loss)	52,762	43,788
Net increase in net assets resulting from operations	517,270	2,440,416
Distributions to shareholders from net investment income	(465,118)	(2,396,112)
Share transactions – net increase (decrease)	274,815,548	(199,422,863)
Total increase (decrease) in net assets	274,867,700	(199,378,559)
Net Assets		
Beginning of period	2,061,881,242	2,261,259,801
End of period	$2,336,748,942	$2,061,881,242

See accompanying notes which are an integral part of the financial statements.

Financial Highlights — Initial Class

Years ended December 31,	2013	2012	2011	2010	2009
Selected Per-Share Data					
Net asset value, beginning of period	$ 1.00	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Income from Investment Operations					
Net investment income (loss)	—[D]	.001	.001	.002	.007
Net realized and unrealized gain (loss)[D]	—	—	—	—	—
Total from investment operations	—[D]	.001	.001	.002	.007
Distributions from net investment income	—[D]	(.001)	(.001)	(.002)	(.007)
Distributions from net realized gain	—	—	—	(.001)	—
Total distributions	—[D]	(.001)	(.001)	(.002)[E]	(.007)
Net asset value, end of period	$ 1.00	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Total Return[A,B]	.03%	.14%	.11%	.24%	.72%
Ratios to Average Net Assets[C]					
Expenses before reductions	.26%	.26%	.26%	.27%	.31%
Expenses net of fee waivers, if any	.25%	.26%	.26%	.26%	.31%
Expenses net of all reductions	.25%	.26%	.26%	.26%	.31%
Net investment income (loss)	.03%	.14%	.11%	.18%	.76%
Supplemental Data					
Net assets, end of period (000 omitted)	$980,120	$889,797	$972,295	$1,008,008	$1,765,198

A *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
B *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
C *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed or waived or reductions from expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement and waivers but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.*
D *Amount represents less than $.001 per share.*
E *Total distributions of $.002 per share is comprised of distributions from net investment income of $.0018 and distributions from net realized gain of $.0006 per share.*

Financial Highlights — Service Class

Years ended December 31,	2013	2012	2011	2010	2009
Selected Per-Share Data					
Net asset value, beginning of period	$ 1.00	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Income from Investment Operations					
Net investment income (loss)	—[D]	—[D]	—[D]	.001	.006
Net realized and unrealized gain (loss)[D]	—	—	—	—	—
Total from investment operations	—[D]	—[D]	—[D]	.001	.006
Distributions from net investment income	—[D]	—[D]	—[D]	(.001)	(.006)
Distributions from net realized gain	—	—	—	(.001)	—
Total distributions	—[D]	—[D]	—[D]	(.001)[E]	(.006)
Net asset value, end of period	$ 1.00	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Total Return[A,B]	.01%	.04%	.03%	.14%	.62%
Ratios to Average Net Assets[C]					
Expenses before reductions	.36%	.36%	.36%	.37%	.41%
Expenses net of fee waivers, if any	.27%	.36%	.34%	.36%	.41%
Expenses net of all reductions	.27%	.36%	.34%	.36%	.41%
Net investment income (loss)	.01%	.04%	.03%	.08%	.66%
Supplemental Data					
Net assets, end of period (000 omitted)	$117,758	$115,204	$179,652	$155,272	$112,283

A *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
B *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
C *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed or waived or reductions from expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement and waivers but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.*
D *Amount represents less than $.001 per share.*
E *Total distributions of $.001 per share is comprised of distributions from net investment income of $.0008 and distributions from net realized gain of $.0006 per share.*

See accompanying notes which are an integral part of the financial statements.

Financial Highlights — Service Class 2

Years ended December 31,	2013	2012	2011	2010	2009
Selected Per-Share Data					
Net asset value, beginning of period	$ 1.00	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Income from Investment Operations					
Net investment income (loss)	— [D]	— [D]	— [D]	— [D]	.005
Net realized and unrealized gain (loss)	— [D]	— [D]	— [D]	.001	— [D]
Total from investment operations	— [D]	— [D]	— [D]	.001	.005
Distributions from net investment income	— [D]	— [D]	— [D]	— [D]	(.005)
Distributions from net realized gain	—	—	—	(.001)	—
Total distributions	— [D]	— [D]	— [D]	(.001)	(.005)
Net asset value, end of period	$ 1.00	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Total Return [A,B]	.01%	.01%	.01%	.07%	.47%
Ratios to Average Net Assets [C]					
Expenses before reductions	.51%	.51%	.51%	.51%	.56%
Expenses net of fee waivers, if any	.27%	.39%	.36%	.43%	.55%
Expenses net of all reductions	.27%	.39%	.36%	.43%	.55%
Net investment income (loss)	.01%	.01%	.01%	.01%	.51%
Supplemental Data					
Net assets, end of period (000 omitted)	$144,266	$157,866	$171,208	$182,521	$135,695

A *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
B *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
C *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed or waived or reductions from expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement and waivers but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.*
D *Amount represents less than $.001 per share.*

Financial Highlights — Investor Class

Years ended December 31,	2013	2012	2011	2010	2009
Selected Per-Share Data					
Net asset value, beginning of period	$ 1.00	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Income from Investment Operations					
Net investment income (loss)	— [D]	.001	.001	.002	.007
Net realized and unrealized gain (loss)[D]	—	—	—	—	—
Total from investment operations	— [D]	.001	.001	.002	.007
Distributions from net investment income	— [D]	(.001)	(.001)	(.002)	(.007)
Distributions from net realized gain	—	—	—	(.001)	—
Total distributions	— [D]	(.001)	(.001)	(.002) [E]	(.007)
Net asset value, end of period	$ 1.00	$ 1.00	$ 1.00	$ 1.00	$ 1.00
Total Return [A,B]	.02%	.11%	.09%	.22%	.70%
Ratios to Average Net Assets [C]					
Expenses before reductions	.28%	.28%	.28%	.29%	.33%
Expenses net of fee waivers, if any	.26%	.28%	.28%	.28%	.33%
Expenses net of all reductions	.26%	.28%	.28%	.28%	.33%
Net investment income (loss)	.02%	.12%	.09%	.16%	.73%
Supplemental Data					
Net assets, end of period (000 omitted)	$1,094,606	$899,015	$938,104	$866,466	$1,059,888

A *Total returns do not reflect charges attributable to your insurance company's separate account. Inclusion of these charges would reduce the total returns shown.*
B *Total returns would have been lower if certain expenses had not been reduced during the applicable periods shown.*
C *Expense ratios reflect operating expenses of the class. Expenses before reductions do not reflect amounts reimbursed or waived or reductions from expense offset arrangements and do not represent the amount paid by the class during periods when reimbursements, waivers or reductions occur. Expenses net of fee waivers reflect expenses after reimbursement and waivers but prior to reductions from expense offset arrangements. Expenses net of all reductions represent the net expenses paid by the class.*
D *Amount represents less than $.001 per share.*
E *Total distributions of $.002 per share is comprised of distributions from net investment income of $.0016 and distributions from net realized gain of $.0006 per share.*

See accompanying notes which are an integral part of the financial statements.

1. Organization.

VIP Money Market Portfolio (the Fund) is a fund of Variable Insurance Products Fund V (the Trust) and is authorized to issue an unlimited number of shares. The Trust is registered under the Investment Company Act of 1940, as amended (the 1940 Act), as an open-end management investment company organized as a Massachusetts business trust. Shares of the Fund may only be purchased by insurance companies for the purpose of funding variable annuity or variable life insurance contracts. The Fund offers the following classes of shares: Initial Class shares, Service Class shares, Service Class 2 shares and Investor Class shares. All classes have equal rights and voting privileges, except for matters affecting a single class.

2. Significant Accounting Policies.

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP), which require management to make certain estimates and assumptions at the date of the financial statements. Actual results could differ from those estimates. Subsequent events, if any, through the date that the financial statements were issued have been evaluated in the preparation of the financial statements. The following summarizes the significant accounting policies of the Fund:

Security Valuation. The Fund categorizes the inputs to valuation techniques used to value its investments into a disclosure hierarchy consisting of three levels as shown below:

Level 1 – quoted prices in active markets for identical investments

Level 2 – other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment speeds, etc.)

Level 3 – unobservable inputs (including the Fund's own assumptions based on the best information available)

As permitted by compliance with certain conditions under Rule 2a-7 of the 1940 Act, securities are valued at amortized cost, which approximates fair value. The amortized cost of an instrument is determined by valuing it at its original cost and thereafter amortizing any discount or premium from its face value at a constant rate until maturity. Securities held by a money market fund are generally high quality and liquid; however, they are reflected as Level 2 because the inputs used to determine fair value are not quoted prices in an active market.

Investment Transactions and Income. Gains and losses on securities sold are determined on the basis of identified cost. Interest income is accrued as earned. Interest income includes coupon interest and amortization of premium and accretion of discount on debt securities.

Class Allocations and Expenses. Investment income, realized and unrealized capital gains and losses, common expenses of the Fund, and certain fund-level expense reductions, if any, are allocated daily on a pro-rata basis to each class based on the relative net assets of each class to the total net assets of the Fund. Each class differs with respect to transfer agent and distribution and service plan fees incurred. Certain expense reductions may also differ by class. For the reporting period, the allocated portion of income and expenses to each class as a percent of its average net assets may vary due to the timing of recording these transactions in relation to fluctuating net assets of the classes. Expenses directly attributable to a fund are charged to that fund. Expenses attributable to more than one fund are allocated among the respective funds on the basis of relative net assets or other appropriate methods. Expense estimates are accrued in the period to which they relate and adjustments are made when actual amounts are known.

Income Tax Information and Distributions to Shareholders. Each year, the Fund intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code, including distributing substantially all of its taxable income and realized gains. As a result, no provision for U.S. Federal income taxes is required. As of December 31, 2013, the Fund did not have any unrecognized tax benefits in the financial statements; nor is the Fund aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. The Fund files a U.S. federal tax return, in addition to state and local tax returns as required. The Fund's federal income tax returns are subject to examination by the Internal Revenue Service (IRS) for a period of three fiscal years after they are filed. State and local tax returns may be subject to examination for an additional fiscal year depending on the jurisdiction.

Dividends are declared and recorded daily and paid monthly from net investment income. Distributions from realized gains, if any, are declared and recorded on the ex-dividend date. Income dividends and capital gain distributions are declared separately for each class. Income and capital gain distributions are determined in accordance with income tax regulations, which may differ from GAAP.

Capital accounts within the financial statements are adjusted for permanent book-tax differences. These adjustments have no impact on net assets or the results of operations. Capital accounts are not adjusted for temporary book-tax differences which will reverse in a subsequent period.

Book-tax differences are primarily due to deferred trustees compensation.

2. Significant Accounting Policies – continued

Income Tax Information and Distributions to Shareholders – continued

The federal tax cost of investment securities and unrealized appreciation (depreciation) as of period end were as follows:

Gross unrealized appreciation	$ —
Gross unrealized depreciation	—
Net unrealized appreciation (depreciation) on securities and other investments	$ —
Tax Cost	$ 2,290,683,632

The tax-based components of distributable earnings as of period end were as follows:

Undistributed ordinary income	$ 93,096

The tax character of distributions paid was as follows:

	December 31, 2013	December 31, 2012
Ordinary Income	$ 465,118	$ 2,396,112

Repurchase Agreements. Pursuant to an Exemptive Order issued by the Securities and Exchange Commission (the SEC), the Fund along with other registered investment companies having management contracts with Fidelity Management & Research Company (FMR), or other affiliated entities of FMR, are permitted to transfer uninvested cash balances into joint trading accounts which are then invested in repurchase agreements. The Fund may also invest directly with institutions in repurchase agreements. Repurchase agreements may be collateralized by government or non-government securities. Upon settlement date, collateral is held in segregated accounts with custodian banks and may be obtained in the event of a default of the counterparty. The Fund monitors, on a daily basis, the value of the collateral to ensure it is at least equal to the principal amount of the repurchase agreement (including accrued interest). In the event of a default by the counterparty, realization of the collateral proceeds could be delayed, during which time the value of the collateral may decline.

Reverse Repurchase Agreements. To enhance its yield, the Fund may enter into reverse repurchase transactions under master repurchase agreements whereby the Fund sells securities to a counterparty in return for cash and agrees to repurchase those securities at a future date and agreed upon price. During the period that reverse repurchase transactions are outstanding, the Fund identifies the securities as pledged in its records with an initial value at least equal to its principal obligation under the agreement. The cash proceeds received by the Fund may be invested in other securities. To the extent cash proceeds received from the counterparty exceed the value of the securities sold, the counterparty may request additional collateral from the Fund. If the counterparty defaults on its obligation, because of insolvency or other reasons, the Fund could experience delays and costs in recovering the securities sold. Information regarding securities sold under a reverse repurchase agreement is included at the end of the Fund's Schedule of Investments and the cash proceeds are recorded as a liability in the accompanying Statement of Assets and Liabilities. The Fund continues to receive interest and dividend payments on the securities sold during the term of the reverse repurchase agreement. At period end, there were no reverse repurchase agreements outstanding.

Restricted Securities. The Fund may invest in securities that are subject to legal or contractual restrictions on resale. These securities generally may be resold in transactions exempt from registration or to the public if the securities are registered. Disposal of these securities may involve time-consuming negotiations and expense, and prompt sale at an acceptable price may be difficult. Information regarding restricted securities is included at the end of the Fund's Schedule of Investments.

3. Fees and Other Transactions with Affiliates.

Management Fee. Fidelity Management & Research Company (the investment adviser) and its affiliates provide the Fund with investment management related services for which the Fund pays a monthly management fee. The management fee is calculated on the basis of a group fee rate plus a total income-based component. The annualized group fee rate averaged .11% during the period. The group fee rate is based upon the average net assets of all the mutual funds advised by the investment adviser, including any mutual funds previously advised by the investment adviser that are currently advised by Fidelity SelectCo, LLC, an affiliate of the investment adviser. The group fee rate decreases as assets under management increase and increases as assets under management decrease. The total income-based component is calculated according to a graduated schedule providing for different rates based on the Fund's gross annualized yield. The rate increases as the Fund's gross yield increases.

During the period the income-based portion of this fee was $1,212,002 or an annual rate of .06% of the Fund's average net assets. For the reporting period, the Fund's total annual management fee rate was .17% of the Fund's average net assets.

3. Fees and Other Transactions with Affiliates – continued

Distribution and Service Plan Fees. In accordance with Rule 12b-1 of the 1940 Act, the Fund has adopted separate 12b-1 Plans for each Service Class of shares. Each Service Class pays Fidelity Distributors Corporation (FDC), an affiliate of the investment adviser, a service fee. For the period, the service fee is based on an annual rate of .10% of Service Class' average net assets and .25% of Service Class 2's average net assets.

For the period, total fees, all of which were re-allowed to insurance companies for the distribution of shares and providing shareholder support services were as follows:

Service Class	$ 85,555
Service Class 2	372,522
	$ 458,077

During the period, the investment adviser or its affiliates waived a portion of these fees.

Transfer Agent Fees. Fidelity Investments Institutional Operations Company, Inc. (FIIOC), an affiliate of the investment adviser, is the Fund's transfer, dividend disbursing, and shareholder servicing agent. FIIOC receives an asset-based fee with respect to each class. Each class (with the exception of Investor Class) pays a transfer agent fee, excluding out of pocket expenses, equal to an annual rate of .07% of average net assets. Investor Class pays a monthly asset-based transfer agent fee of .09% of average net assets. In addition, FIIOC receives an asset-based fee of .0035% of average net assets for typesetting, printing and mailing of shareholder reports, except proxy statements. FIIOC voluntarily agreed to reimburse or waive this fee for the period January 1, 2013 through December 31, 2013 (see Expense Reductions note). For the period, transfer agent fees for each class, including printing and out of pocket expenses, were as follows:

Initial Class	$ 657,255
Service Class	61,285
Service Class 2	106,298
Investor Class	975,887
	$ 1,800,725

During the period, the investment adviser or its affiliates waived a portion of these fees.

Effective February 1, 2014, the Board of Trustees approved an amendment to the transfer agent fee agreement whereby each class (with the exception of Investor Class) pays a single fee of .07% of average net assets for transfer agent services, typesetting, printing and mailing of shareholder reports, excluding mailing of proxy statements and out of pocket expenses. Investor Class pays a single fee of .09% of average net assets.

Accounting Fees. Fidelity Service Company, Inc. (FSC), an affiliate of the investment adviser, maintains the Fund's accounting records. The fee is based on the level of average net assets for each month.

Interfund Lending Program. Pursuant to an Exemptive Order issued by the SEC, the Fund, along with other registered investment companies having management contracts with FMR or other affiliated entities of FMR, may participate in an interfund lending program. This program provides an alternative credit facility allowing the funds to borrow from, or lend money to, other participating affiliated funds. At period end, there were no interfund loans outstanding. The Fund's activity in this program during the period for which loans were outstanding was as follows:

Borrower or Lender	Average Loan Balance	Weighted Average Interest Rate
Lender	$ 8,515,600	.36%

4. Expense Reductions.

The investment adviser or its affiliates voluntarily agreed to waive certain fees in order to maintain a minimum annualized yield of .01%. Such agreements may be discontinued by the investment adviser at any time.

For the period, the amount of fees reimbursed and/or waived for each class, including transfer agent fees reimbursed or waived, was as follows:

	Reimbursement/Waiver
Initial Class	$ 48,064
Service Class	72,023
Service Class 2	350,260
Investor Class	193,426
	$ 663,773

5. Distributions to Shareholders.

Distributions to shareholders of each class were as follows:

Years ended December 31,	2013	2012
From net investment income		
Initial Class	$ 258,331	$ 1,274,178
Service Class	8,578	69,590
Service Class 2	14,894	16,736
Investor Class	183,315	1,035,608
Total	$ 465,118	$ 2,396,112

6. Share Transactions.

Transactions for each class of shares at a $1.00 per share were as follows:

Years ended December 31,	2013	2012
Initial Class		
Shares sold	728,003,889	497,937,249
Reinvestment of distributions	258,140	1,270,207
Shares redeemed	(637,938,803)	(581,738,788)
Net increase (decrease)	90,323,226	(82,531,332)
Service Class		
Shares sold	147,210,302	158,894,864
Reinvestment of distributions	8,576	69,632
Shares redeemed	(144,666,468)	(223,416,156)
Net increase (decrease)	2,552,410	(64,451,660)
Service Class 2		
Shares sold	74,922,519	86,182,336
Reinvestment of distributions	14,893	16,647
Shares redeemed	(88,538,375)	(99,542,934)
Net increase (decrease)	(13,600,963)	(13,343,951)
Investor Class		
Shares sold	972,997,915	592,063,641
Reinvestment of distributions	183,315	1,032,393
Shares redeemed	(777,640,355)	(632,191,954)
Net increase (decrease)	195,540,875	(39,095,920)

7. Other.

The Fund's organizational documents provide former and current trustees and officers with a limited indemnification against liabilities arising in connection with the performance of their duties to the Fund. In the normal course of business, the Fund may also enter into contracts that provide general indemnifications. The Fund's maximum exposure under these arrangements is unknown as this would be dependent on future claims that may be made against the Fund. The risk of material loss from such claims is considered remote.

At the end of the period, the investment adviser or its affiliates were the owners of record of 58% of the total outstanding shares of the Fund.

Report of Independent Registered Public Accounting Firm

To the Trustees of Variable Insurance Products Fund V and the Shareholders of VIP Money Market Portfolio:

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of VIP Money Market Portfolio (a fund of Variable Insurance Products Fund V) at December 31, 2013, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the five years in the period then ended, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as "financial statements") are the responsibility of the VIP Money Market Portfolio's management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at December 31, 2013 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP
Boston, Massachusetts
February 18, 2014

Trustees and Officers

The Trustees and officers of the trust and fund, as applicable, are listed below. The Board of Trustees governs the fund and is responsible for protecting the interests of shareholders. The Trustees are experienced executives who meet periodically throughout the year to oversee the fund's activities, review contractual arrangements with companies that provide services to the fund, oversee management of the risks associated with such activities and contractual arrangements, and review the fund's performance. Except for Elizabeth S. Acton and James C. Curvey, each of the Trustees oversees 223 funds. Ms. Acton oversees 205 funds. Mr. Curvey oversees 396 funds.

The Trustees hold office without limit in time except that (a) any Trustee may resign; (b) any Trustee may be removed by written instrument, signed by at least two-thirds of the number of Trustees prior to such removal; (c) any Trustee who requests to be retired or who has become incapacitated by illness or injury may be retired by written instrument signed by a majority of the other Trustees; and (d) any Trustee may be removed at any special meeting of shareholders by a two-thirds vote of the outstanding voting securities of the trust. Each Trustee who is not an interested person (as defined in the 1940 Act) of the trust and the fund (Independent Trustee), shall retire not later than the last day of the month in which his or her 75th birthday occurs. The Independent Trustees may waive this mandatory retirement age policy with respect to individual Trustees. The officers hold office without limit in time, except that any officer may resign or may be removed by a vote of a majority of the Trustees at any regular meeting or any special meeting of the Trustees. Except as indicated, each individual has held the office shown or other offices in the same company for the past five years.

Experience, Skills, Attributes, and Qualifications of the Fund's Trustees. The Governance and Nominating Committee has adopted a statement of policy that describes the experience, qualifications, attributes, and skills that are necessary and desirable for potential Independent Trustee candidates (Statement of Policy). The Board believes that each Trustee satisfied at the time he or she was initially elected or appointed a Trustee, and continues to satisfy, the standards contemplated by the Statement of Policy. The Governance and Nominating Committee also engages professional search firms to help identify potential Independent Trustee candidates who have the experience, qualifications, attributes, and skills consistent with the Statement of Policy. From time to time, additional criteria based on the composition and skills of the current Independent Trustees, as well as experience or skills that may be appropriate in light of future changes to board composition, business conditions, and regulatory or other developments, have also been considered by the professional search firms and the Governance and Nominating Committee. In addition, the Board takes into account the Trustees' commitment and participation in Board and committee meetings, as well as their leadership of standing and ad hoc committees throughout their tenure.

In determining that a particular Trustee was and continues to be qualified to serve as a Trustee, the Board has considered a variety of criteria, none of which, in isolation, was controlling. The Board believes that, collectively, the Trustees have balanced and diverse experience, qualifications, attributes, and skills, which allow the Board to operate effectively in governing the fund and protecting the interests of shareholders. Information about the specific experience, skills, attributes, and qualifications of each Trustee, which in each case led to the Board's conclusion that the Trustee should serve (or continue to serve) as a trustee of the fund, is provided below.

Board Structure and Oversight Function. Abigail P. Johnson is an interested person (as defined in the 1940 Act) and currently serves as Chairman. The Trustees have determined that an interested Chairman is appropriate and benefits shareholders because an interested Chairman has a personal and professional stake in the quality and continuity of services provided to the fund. Independent Trustees exercise their informed business judgment to appoint an individual of their choosing to serve as Chairman, regardless of whether the Trustee happens to be independent or a member of management. The Independent Trustees have determined that they can act independently and effectively without having an Independent Trustee serve as Chairman and that a key structural component for assuring that they are in a position to do so is for the Independent Trustees to constitute a substantial majority for the Board. The Independent Trustees also regularly meet in executive session. Albert R. Gamper, Jr. serves as Chairman of the Independent Trustees and as such (i) acts as a liaison between the Independent Trustees and management with respect to matters important to the Independent Trustees and (ii) with management prepares agendas for Board meetings.

Fidelity funds are overseen by different Boards of Trustees. The fund's Board oversees Fidelity's investment-grade bond, money market, and asset allocation funds and another Board oversees Fidelity's equity and high income funds. The asset allocation funds may invest in Fidelity funds that are overseen by such other Board. The use of separate Boards, each with its own committee structure, allows the Trustees of each group of Fidelity funds to focus on the unique issues of the funds they oversee, including common research, investment, and operational issues. On occasion, the separate Boards establish joint committees to address issues of overlapping consequences for the Fidelity funds overseen by each Board.

The Trustees operate using a system of committees to facilitate the timely and efficient consideration of all matters of importance to the Trustees, the fund, and fund shareholders and to facilitate compliance with legal and regulatory requirements and oversight of the fund's activities and associated risks. The Board, acting through its committees, has charged FMR and its affiliates with (i) identifying events or circumstances the occurrence of which could have demonstrably adverse effects on the fund's business and/or reputation; (ii) implementing processes and controls to lessen the possibility that such events or circumstances occur or to mitigate the effects of such events or circumstances if they do occur; and (iii) creating and maintaining a system designed to evaluate continuously business and market conditions in order to facilitate the identification and implementation processes described in (i) and (ii) above. Because the day-to-day operations and activities of the fund are carried out by or through FMR, its affiliates, and other service providers, the fund's exposure to risks is mitigated but not eliminated by the processes overseen by the Trustees. While each of the Board's committees has responsibility for overseeing different aspects of the fund's activities, oversight is exercised primarily through the Operations and Audit Committees. In addition, an ad hoc Board committee of Independent Trustees has worked with FMR to enhance the Board's oversight of investment and financial risks, legal and regulatory risks, technology risks, and operational risks, including the development of additional risk reporting to the Board. The Operations Committee also worked and continues to work with FMR to enhance the stress tests

required under SEC regulations for money market funds. Appropriate personnel, including but not limited to the fund's Chief Compliance Officer (CCO), FMR's internal auditor, the independent accountants, the fund's Treasurer and portfolio management personnel, make periodic reports to the Board's committees, as appropriate, including an annual review of FMR's risk management program for the Fidelity funds. The responsibilities of each standing committee, including their oversight responsibilities, are described further under "Standing Committees of the Fund's Trustees."

The fund's Statement of Additional Information (SAI) includes more information about the Trustees. To request a free copy, call Fidelity at 1-877-208-0098.

Interested Trustees*:

Correspondence intended for each Trustee who is an interested person may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

James C. Curvey (1935)

Year of Election or Appointment: 2007
Trustee

Mr. Curvey also serves as Trustee of other Fidelity funds. Mr. Curvey is a Director of Fidelity Investments Money Management, Inc. (2009-present), Director of Fidelity Research & Analysis Co. (2009-present) and Director of FMR and FMR Co., Inc. (2007-present). Mr. Curvey is also Vice Chairman (2007-present) and Director of FMR LLC. In addition, Mr. Curvey serves as an Overseer for the Boston Symphony Orchestra and a member of the Trustees of Villanova University. Previously, Mr. Curvey was the Vice Chairman (2006-2007) and Director (2000-2007) of FMR Corp.

Abigail P. Johnson (1961)

Year of Election or Appointment: 2009
Trustee
Chairman of the Board of Trustees

Ms. Johnson also serves as Trustee of other Fidelity funds. Ms. Johnson serves as President of FMR LLC (2013-present), President of Fidelity Financial Services (2012-present) and President of Personal, Workplace and Institutional Services (2005-present). Ms. Johnson is Chairman and Director of FMR Co., Inc. (2011-present), Chairman and Director of FMR (2011-present), and the Vice Chairman and Director (2007-present) of FMR LLC. Previously, Ms. Johnson served as President and a Director of FMR (2001-2005), a Trustee of other investment companies advised by FMR, Fidelity Investments Money Management, Inc., and FMR Co., Inc. (2001-2005), Senior Vice President of the Fidelity funds (2001-2005), and managed a number of Fidelity funds. Ms. Abigail P. Johnson and Mr. Arthur E. Johnson are not related.

* Trustees have been determined to be "Interested Trustees" by virtue of, among other things, their affiliation with the trust or various entities under common control with FMR.

\+ The information above includes each Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to each Trustee's qualifications to serve as a Trustee, which led to the conclusion that each Trustee should serve as a Trustee for the fund.

Independent Trustees:

Correspondence intended for each Independent Trustee (that is, the Trustees other than the Interested Trustees) may be sent to Fidelity Investments, P.O. Box 55235, Boston, Massachusetts 02205-5235.

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Elizabeth S. Acton (1951)

Year of Election or Appointment: 2013
Trustee

Ms. Acton also serves as Trustee or Member of the Advisory Board of other Fidelity funds. Prior to her retirement in April 2012, Ms. Acton was Executive Vice President, Finance (2011-2012), Executive Vice President, Chief Financial Officer (2002-2011), and Treasurer (2004-2005) of Comerica Incorporated (financial services). Prior to joining Comerica, Ms. Acton held a variety of positions at Ford Motor Company (1983-2002), including Vice President and Treasurer (2000-2002) and Executive Vice President and Chief Financial Officer of Ford Motor Credit Company (1998-2000). Ms. Acton currently serves as a member of the Board of Directors and Audit and Finance Committees of Beazer Homes USA, Inc. (homebuilding, 2012-present).

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Albert R. Gamper, Jr. (1942)

Year of Election or Appointment: 2007
Trustee
Chairman of the Independent Trustees

Mr. Gamper also serves as Trustee of other Fidelity funds. Prior to his retirement in December 2004, Mr. Gamper served as Chairman of the Board of CIT Group Inc. (commercial finance). During his tenure with CIT Group Inc. Mr. Gamper served in numerous senior management positions, including Chairman (1987-1989; 1999-2001; 2002-2004), Chief Executive Officer (1987-2004), and President (2002-2003). Mr. Gamper currently serves as a member of the Board of Directors of Public Service Enterprise Group (utilities, 2000-present), a member of the Board of Trustees, Rutgers University (2004-present), and Chairman of the Board of Barnabas Health Care System. Previously, Mr. Gamper served as Vice Chairman of the Independent Trustees of certain Fidelity funds (2011-2012) and as Chairman of the Board of Governors, Rutgers University (2004-2007).

Robert F. Gartland (1951)

Year of Election or Appointment: 2010
Trustee

Mr. Gartland also serves as Trustee of other Fidelity funds. Mr. Gartland is Chairman and an investor in Gartland and Mellina Group Corp. (consulting, 2009-present). Previously, Mr. Gartland served as a partner and investor of Vietnam Partners LLC (investments and consulting, 2008-2011). Prior to his retirement, Mr. Gartland held a variety of positions at Morgan Stanley (financial services, 1979-2007) including Managing Director (1987-2007).

Arthur E. Johnson (1947)

Year of Election or Appointment: 2008
Trustee

Mr. Johnson also serves as Trustee of other Fidelity funds. Mr. Johnson serves as a member of the Board of Directors of Eaton Corporation (diversified power management, 2009-present), AGL Resources, Inc. (holding company, 2002-present) and Booz Allen Hamilton (management consulting, 2011-present). Prior to his retirement, Mr. Johnson served as Senior Vice President of Corporate Strategic Development of Lockheed Martin Corporation (defense contractor, 1999-2009). He previously served on the Board of Directors of IKON Office Solutions, Inc. (1999-2008) and Delta Airlines (2005-2007). Mr. Arthur E. Johnson is not related to Ms. Abigail P. Johnson.

Michael E. Kenneally (1954)

Year of Election or Appointment: 2009
Trustee

Mr. Kenneally also serves as Trustee of other Fidelity funds. Mr. Kenneally served as a Member of the Advisory Board for certain Fidelity funds before joining the Board of Trustees (2008-2009). Prior to his retirement, Mr. Kenneally served as Chairman and Global Chief Executive Officer of Credit Suisse Asset Management. Before joining Credit Suisse, he was an Executive Vice President and Chief Investment Officer for Bank of America Corporation. Earlier roles at Bank of America included Director of Research, Senior Portfolio Manager and Research Analyst, and Mr. Kenneally was awarded the Chartered Financial Analyst (CFA) designation in 1991.

James H. Keyes (1940)

Year of Election or Appointment: 2007
Trustee

Mr. Keyes also serves as Trustee of other Fidelity funds. Mr. Keyes serves as a member of the Board and Non-Executive Chairman of Navistar International Corporation (manufacture and sale of trucks, buses, and diesel engines, since 2002). Previously, Mr. Keyes served as a member of the Board of Pitney Bowes, Inc. (integrated mail, messaging, and document management solutions, 1998-2013). Prior to his retirement, Mr. Keyes served as Chairman (1993-2002) and Chief Executive Officer (1988-2002) of Johnson Controls (automotive, building, and energy) and as a member of the Board of LSI Logic Corporation (semiconductor technologies, 1984-2008).

Name, Year of Birth; Principal Occupations and Other Relevant Experience+

Marie L. Knowles (1946)

Year of Election or Appointment: 2001
Trustee
Vice Chairman of the Independent Trustees

Ms. Knowles also serves as Trustee of other Fidelity funds. Prior to Ms. Knowles' retirement in June 2000, she served as Executive Vice President and Chief Financial Officer of Atlantic Richfield Company (ARCO) (diversified energy, 1996-2000). From 1993 to 1996, she was a Senior Vice President of ARCO and President of ARCO Transportation Company. She served as a Director of ARCO from 1996 to 1998. Ms. Knowles currently serves as a Director and Chairman of the Audit Committee of McKesson Corporation (healthcare service, since 2002). Ms. Knowles is a member of the Board of the Catalina Island Conservancy and of the Santa Catalina Island Company (2009-present). She also serves as a member of the Advisory Board for the School of Engineering of the University of Southern California. Previously, Ms. Knowles served as a Director of Phelps Dodge Corporation (copper mining and manufacturing, 1994-2007), URS Corporation (engineering and construction, 2000-2003) and America West (airline, 1999-2002).

Kenneth L. Wolfe (1939)

Year of Election or Appointment: 2007
Trustee

Mr. Wolfe also serves as Trustee of other Fidelity funds. Prior to his retirement, Mr. Wolfe served as Chairman and a Director (2007-2009) and Chairman and Chief Executive Officer (1994-2001) of Hershey Foods Corporation. He also served as a member of the Boards of Adelphia Communications Corporation (telecommunications, 2003-2006), Bausch & Lomb, Inc. (medical/pharmaceutical, 1993-2007), and Revlon, Inc. (personal care products, 2004-2009). Mr. Wolfe previously served as Chairman of the Independent Trustees of other Fidelity funds (2008-2012).

+ The information above includes each Trustee's principal occupation during the last five years and other information relating to the experience, attributes, and skills relevant to each Trustee's qualifications to serve as a Trustee, which led to the conclusion that each Trustee should serve as a Trustee for the fund.

Officers:

Correspondence intended for each officer may be sent to Fidelity Investments, 245 Summer Street, Boston, Massachusetts 02210. Officers appear below in alphabetical order.

Name, Year of Birth; Principal Occupation

Elizabeth Paige Baumann (1968)

Year of Election or Appointment: 2012
Anti-Money Laundering (AML) Officer

Ms. Baumann also serves as AML Officer of other funds. She is Chief AML Officer of FMR LLC (2012-present) and is an employee of Fidelity Investments. Previously, Ms. Baumann served as Vice President and Deputy Anti-Money Laundering Officer (2007-2012).

Robert P. Brown (1963)

Year of Election or Appointment: 2012
Vice President of Fidelity's Bond Funds

Mr. Brown also serves as Vice President of other funds. Mr. Brown serves as Executive Vice President of Fidelity Investments Money Management, Inc. (FIMM) (2010-present), President, Bond Group of FMR (2011-present), Director and Managing Director, Research of Fidelity Management & Research (U.K.) Inc. (2008-present), and is an employee of Fidelity Investments. Previously, Mr. Brown served as President, Money Market Group of FMR (2010-2011) and Vice President of Fidelity's Money Market Funds (2010-2012).

Marc Bryant (1966)

Year of Election or Appointment: 2013
Assistant Secretary

Mr. Bryant also serves as an officer of other funds. He is Senior Vice President and Deputy General Counsel of FMR LLC. Prior to joining Fidelity Investments, Mr. Bryant served as a Senior Vice President and the Head of Global Retail Legal for AllianceBernstein L.P. (2006-2010), and as the General Counsel for ProFund Advisors LLC (2001-2006).

Name, Year of Birth; Principal Occupation

Jonathan Davis (1968)

Year of Election or Appointment: 2010
Assistant Treasurer

Mr. Davis also serves as Assistant Treasurer of other funds. Mr. Davis is an employee of Fidelity Investments. Previously, Mr. Davis served as Vice President and Associate General Counsel of FMR LLC (2003-2010).

Adrien E. Deberghes (1967)

Year of Election or Appointment: 2010
Assistant Treasurer

Mr. Deberghes also serves as an officer of other funds. He is an employee of Fidelity Investments (2008-present). Prior to joining Fidelity Investments, Mr. Deberghes was Senior Vice President of Mutual Fund Administration at State Street Corporation (2007-2008), Senior Director of Mutual Fund Administration at Investors Bank & Trust (2005-2007), and Director of Finance for Dunkin' Brands (2000-2005).

Stephanie J. Dorsey (1969)

Year of Election or Appointment: 2013
President and Treasurer

Ms. Dorsey also serves as an officer of other funds. She is an employee of Fidelity Investments (2008-present) and has served in other fund officer roles. Prior to joining Fidelity Investments, Ms. Dorsey served as Treasurer (2004-2008) of the JPMorgan Mutual Funds and Vice President (2004-2008) of JPMorgan Chase Bank.

Scott C. Goebel (1968)

Year of Election or Appointment: 2008
Secretary and Chief Legal Officer (CLO)

Mr. Goebel serves as Secretary and CLO of other funds. Mr. Goebel also serves as Secretary of Fidelity Investments Money Management, Inc. (FIMM) (2010-present) and Fidelity Research and Analysis Company (FRAC) (2010-present); General Counsel, Secretary, and Senior Vice President of FMR (2008-present) and FMR Co., Inc. (2008-present); Chief Legal Officer of Fidelity Management & Research (Hong Kong) Limited (2008-present) and Assistant Secretary of Fidelity Management & Research (Japan) Inc. (2008-present), and Fidelity Management & Research (U.K.) Inc. (2008-present). Previously, Mr. Goebel served as Secretary and CLO of other Fidelity funds (2008-2013), Assistant Secretary of FIMM (2008-2010), FRAC (2008-2010), and certain funds (2007-2008); and as Vice President and Secretary of Fidelity Distributors Corporation (FDC) (2005-2007). Mr. Goebel has been employed by FMR LLC or an affiliate since 2001.

Chris Maher (1972)

Year of Election or Appointment: 2013
Assistant Treasurer

Mr. Maher serves as Assistant Treasurer of other funds. Mr. Maher is Vice President of Valuation Oversight and is an employee of Fidelity Investments. Previously, Mr. Maher served as Vice President of Asset Management Compliance (2013), Vice President of FMR's Program Management Group (2010-2013), and Vice President of Valuation Oversight (2008-2010).

Charles S. Morrison (1960)

Year of Election or Appointment: 2012
Vice President

Mr. Morrison also serves as Vice President of other funds. He serves as President, Fixed Income and is an employee of Fidelity Investments. Previously, Mr. Morrison served as Vice President of Fidelity's Money Market Funds (2005-2009), President, Money Market Group Leader of FMR (2009), and Senior Vice President, Money Market Group of FMR (2004-2009). Mr. Morrison also served as Vice President of Fidelity's Bond Funds (2002-2005), certain Balanced Funds (2002-2005), and certain Asset Allocation Funds (2002-2007), and as Senior Vice President (2002-2005) of Fidelity's Fixed Income Division.

Nancy D. Prior (1967)

Year of Election or Appointment: 2012
Vice President of Fidelity's Money Market Funds

Ms. Prior also serves as Vice President of other funds. Ms. Prior serves as President, Money Market Group of FMR (2011-present) and is an employee of Fidelity Investments (2002-present). Previously, Ms. Prior served as Managing Director of Research (2009-2011), Senior Vice President and Deputy General Counsel (2007-2009), and Assistant Secretary of other Fidelity funds (2008-2009).

Name, Year of Birth; Principal Occupation

Christine Reynolds (1958)

Year of Election or Appointment: 2008
Chief Financial Officer

Ms. Reynolds also serves as Chief Financial Officer of other funds. Ms. Reynolds became President of Fidelity Pricing and Cash Management Services (FPCMS) in August 2008. Ms. Reynolds served as Chief Operating Officer of FPCMS (2007-2008). Previously, Ms. Reynolds served as President, Treasurer, and Anti-Money Laundering officer of the Fidelity funds (2004-2007).

Kenneth B. Robins (1969)

Year of Election or Appointment: 2009
Assistant Treasurer

Mr. Robins also serves as an officer of other funds. Mr. Robins serves as Executive Vice President of Fidelity Investments Money Management, Inc. (FIMM) (2013-present) and is an employee of Fidelity Investments (2004-present). Previously, Mr. Robins served in other fund officer roles.

Gary W. Ryan (1958)

Year of Election or Appointment: 2005
Assistant Treasurer

Mr. Ryan also serves as Assistant Treasurer of other funds. Mr. Ryan is an employee of Fidelity Investments and has served in other fund officer roles. Previously, Mr. Ryan served as Vice President of Fund Reporting in Fidelity Pricing and Cash Management Services (FPCMS) (1999-2005).

Stephen Sadoski (1971)

Year of Election or Appointment: 2013
Deputy Treasurer

Mr. Sadoski also serves as Deputy Treasurer of other funds. He is an employee of Fidelity Investments (2012-present) and has served in another fund officer role. Prior to joining Fidelity Investments, Mr. Sadoski served as an assistant chief accountant in the Division of Investment Management of the Securities and Exchange Commission (SEC) (2009-2012) and as a senior manager at Deloitte & Touche LLP (1997-2009).

Stacie M. Smith (1974)

Year of Election or Appointment: 2013
Assistant Treasurer

Ms. Smith also serves as an officer of other funds. She is an employee of Fidelity Investments (2009-present) and has served in other fund officer roles. Prior to joining Fidelity Investments, Ms. Smith served as Senior Audit Manager of Ernst & Young LLP (1996-2009).

Renee Stagnone (1975)

Year of Election or Appointment: 2013
Deputy Treasurer

Ms. Stagnone also serves as Deputy Treasurer of other funds. Ms. Stagnone is an employee of Fidelity Investments.

Michael H. Whitaker (1967)

Year of Election or Appointment: 2008
Chief Compliance Officer

Mr. Whitaker also serves as Chief Compliance Officer of other funds. Mr. Whitaker is an employee of Fidelity Investments (2007-present). Prior to joining Fidelity Investments, Mr. Whitaker worked at MFS Investment Management where he served as Senior Vice President and Chief Compliance Officer (2004-2006), and Assistant General Counsel.

Joseph F. Zambello (1957)

Year of Election or Appointment: 2011
Deputy Treasurer

Mr. Zambello also serves as Deputy Treasurer of other funds. Mr. Zambello is an employee of Fidelity Investments. Previously, Mr. Zambello served as Vice President of FMR's Program Management Group (2009-2011) and Vice President of the Transfer Agent Oversight Group (2005-2009).

Distributions (Unaudited)

A total of 6.2293% of the dividends distributed during the fiscal year was derived from interest on U.S. Government securities which is generally exempt from state income tax.

Board Approval of Investment Advisory Contracts and Management Fees

VIP Money Market Portfolio

Each year, the Board of Trustees, including the Independent Trustees (together, the Board), votes on the renewal of the management contract with Fidelity Management & Research Company (FMR) and the sub-advisory agreements (together, the Advisory Contracts) for the fund. The Board, assisted by the advice of fund counsel and Independent Trustees' counsel, requests and considers a broad range of information relevant to the renewal of the Advisory Contracts throughout the year.

The Board meets regularly and, at each of its meetings, covers an extensive agenda of topics and materials and considers factors that are relevant to its annual consideration of the renewal of the fund's Advisory Contracts, including the services and support provided to the fund and its shareholders. The Board has established four standing committees, Operations, Audit, Fair Valuation, and Governance and Nominating, each composed of and chaired by Independent Trustees with varying backgrounds, to which the Board has assigned specific subject matter responsibilities in order to enhance effective decision-making by the Board. The Operations Committee, of which all of the Independent Trustees are members, meets regularly throughout the year and, among other matters, considers matters specifically related to the annual consideration of the renewal of the fund's Advisory Contracts. The Board, acting directly and through its Committees, requests and receives information concerning the annual consideration of the renewal of the fund's Advisory Contracts. The Board also meets as needed to consider matters specifically related to the Board's annual consideration of the renewal of Advisory Contracts. Members of the Board may also meet with trustees of other Fidelity funds through ad hoc joint committees to discuss certain matters relevant to the Fidelity funds.

At its September 2013 meeting, the Board, including the Independent Trustees, unanimously determined to renew the fund's Advisory Contracts. In reaching its determination, the Board considered all factors it believed relevant, including (i) the nature, extent, and quality of the services to be provided to the fund and its shareholders (including the investment performance of the fund); (ii) the competitiveness of the fund's management fee and total expense ratio relative to peer funds; (iii) the total costs of the services to be provided by and the profits to be realized by Fidelity from its relationship with the fund; (iv) the extent to which economies of scale exist and would be realized as the fund grows; and (v) whether fee levels reflect these economies of scale, if any, for the benefit of fund shareholders.

In considering whether to renew the Advisory Contracts for the fund, the Board reached a determination, with the assistance of fund counsel and Independent Trustees' counsel and through the exercise of its business judgment, that the renewal of the Advisory Contracts was in the best interests of the fund and its shareholders and that the compensation payable under the Advisory Contracts was fair and reasonable. The Board's decision to renew the Advisory Contracts was not based on any single factor, but rather was based on a comprehensive consideration of all the information provided to the Board at its meetings throughout the year. The Board, in reaching its determination to renew the Advisory Contracts, was aware that shareholders in the fund have a broad range of investment choices available to them, including a wide choice among mutual funds offered by Fidelity's competitors, and that the fund's shareholders, who have the opportunity to review and weigh the disclosure provided by the fund in its prospectus and other public disclosures, have chosen to invest in this fund, which is part of the Fidelity family of funds.

Nature, Extent, and Quality of Services Provided. The Board considered Fidelity's staffing as it relates to the fund, including the backgrounds of the fund's investment personnel and the sub-advisers (together, the Investment Advisers), and also considered the fund's investment objective, strategies, and related investment philosophy. The Independent Trustees also had discussions with senior management of Fidelity's investment operations and investment groups. The Board considered the structure of the portfolio manager compensation program and whether this structure provides appropriate incentives to act in the best interests of the fund.

Resources Dedicated to Investment Management and Support Services. The Board reviewed the general qualifications and capabilities of Fidelity's investment staff, including its size, education, experience, and resources, as well as Fidelity's approach to recruiting, managing, and compensating investment personnel. The Board noted that Fidelity has continued to increase the resources devoted to non-U.S. offices, including expansion of Fidelity's global investment organization. The Board also noted that Fidelity's analysts have extensive resources, tools and capabilities that allow them to conduct sophisticated quantitative and fundamental analysis, as well as credit analysis of issuers, counterparties and guarantors. Further, the Board believes that Fidelity's investment professionals have sufficient access to global information and data so as to provide competitive investment results over time, and that those professionals also have access to sophisticated tools that permit them to assess portfolio construction and risk and performance attribution characteristics continuously, as well as to transmit new information and research conclusions rapidly around the world. Additionally, in its deliberations, the Board considered Fidelity's trading and risk management capabilities and resources, which are an integral part of the investment management process.

Shareholder and Administrative Services. The Board considered (i) the nature, extent, quality, and cost of advisory, administrative, and shareholder services performed by the Investment Advisers and their affiliates under the Advisory Contracts and under separate agreements covering transfer agency and pricing and bookkeeping services for the fund; (ii) the nature and extent of the supervision of third party service providers, principally custodians and subcustodians; and (iii) the resources devoted to, and the record of compliance with, the fund's compliance policies and procedures.

The Board noted that the growth of fund assets over time across the complex allows Fidelity to reinvest in the development of services designed to enhance the value or convenience of the Fidelity funds as investment vehicles. These services include 24-hour access to account information and

market information through telephone representatives and over the Internet, investor education materials and asset allocation tools, and the expanded availability of Fidelity Investor Centers.

Investment in a Large Fund Family. The Board considered the benefits to shareholders of investing in a Fidelity fund, including the benefits of investing in a fund that is part of a large family of funds offering a variety of investment disciplines and providing a large variety of mutual fund investor services. The Board noted that Fidelity had taken, or had made recommendations that resulted in the Fidelity funds taking, a number of actions over the previous year that benefited particular funds, including (i) continuing to dedicate additional resources to investment research and to the support of the senior management team that oversees asset management; (ii) persisting in efforts to enhance Fidelity's global research capabilities; (iii) launching new funds and making other enhancements to meet client needs for global and income-oriented solutions; (iv) continuing to launch dedicated lower cost underlying funds to meet portfolio construction needs related to expanding underlying fund options for Fidelity funds of funds, specifically for the Freedom Fund product lines; (v) rationalizing product lines and gaining increased efficiencies through the combination of several funds with other funds; (vi) strengthening Fidelity's index fund offerings by reducing investment minimums and adopting or lowering existing expense caps for certain funds and classes; (vii) enhancing Global Asset Allocation product offerings by launching new funds and strategies, including "open architecture" target date funds that utilize affiliated and unaffiliated sub-advisers; (viii) modifying the eligibility criteria for Institutional Class shares of Advisor funds to increase their marketability to a portion of the defined contribution plan market; (ix) creating a new low-cost retirement share class for certain Advisor funds to appeal to large retirement plans; (x) transitioning the management of certain Fidelity commodity funds to Geode Capital Management LLC, a registered commodity pool operator, while retaining administrative responsibilities for the funds; and (xi) taking steps toward establishing a new Fidelity adviser to manage sector-based funds and products.

Investment Performance. The Board considered whether the fund has operated in accordance with its investment objective, as well as its record of compliance with its investment restrictions and its performance history.

The Board took into account discussions with the Investment Advisers about fund investment performance that occur at Board meetings throughout the year. In this regard the Board noted that as part of regularly scheduled fund reviews and other reports to the Board on fund performance, the Board periodically considers annualized return information for the fund for different time periods, measured against a peer group of mutual funds with similar objectives ("peer group"). In its evaluation of fund investment performance at meetings throughout the year, the Board gave particular attention to information indicating underperformance of certain Fidelity funds for specific time periods and the Investment Advisers' explanations for such underperformance.

In addition to reviewing absolute and relative fund performance, the Independent Trustees periodically consider the appropriateness of fund performance metrics in evaluating the results achieved. In general, the Independent Trustees believe that fund performance should be evaluated based on gross performance (before fees and expenses but after transaction costs) compared to appropriate peer groups, over appropriate time periods that may include full market cycles, taking into account relevant factors including the following: general market conditions; expectations for interest rate levels and credit conditions; issuer-specific information including credit quality; tactical opportunities for investment; the fund's market value NAV over time and its resilience under various stressed conditions; and fund cash flows and other factors.

The Board recognizes that in interest rate environments where many competitors waive fees to maintain a minimum yield, relative money market fund performance on a net basis (after fees and expenses) may not be particularly meaningful due to miniscule performance differences among competitor funds. Depending on the circumstances, the Independent Trustees may be satisfied with a fund's performance notwithstanding that it lags its peer group for certain periods.

The Independent Trustees recognize that shareholders evaluate performance on a net basis over their own holding periods, for which one-, three-, and five-year periods are often used as a proxy. For this reason, the performance information reviewed by the Board also included net cumulative calendar year total return information for the fund and an appropriate peer group for the most recent one-, three-, and five-year periods.

Based on its review, the Board concluded that the nature, extent, and quality of services provided to the fund under the Advisory Contracts should benefit the fund's shareholders.

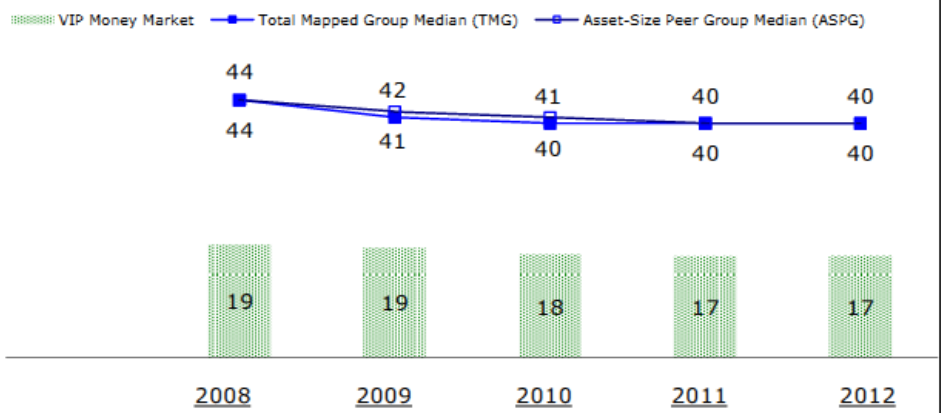
Competitiveness of Management Fee and Total Expense Ratio. The Board considered the fund's management fee and total expense ratio compared to "mapped groups" of competitive funds and classes. Fidelity creates "mapped groups" by combining similar Lipper investment objective categories that have comparable investment mandates. Combining Lipper investment objective categories aids the Board's management fee and total expense ratio comparisons by broadening the competitive group used for comparison and by reducing the number of universes to which various Fidelity funds are compared.

Management Fee. The Board considered two proprietary management fee comparisons for the 12-month periods shown in the chart below. The group of Lipper funds used by the Board for management fee comparisons is referred to below as the "Total Mapped Group" and, for the reasons explained above, is broader than the Lipper peer group used by the Board for performance comparisons. The Total Mapped Group comparison focuses on a fund's standing in terms of gross management fees before expense reimbursements or caps relative to the total universe of funds with comparable investment mandates, regardless of whether their management fee structures also are comparable. "TMG %" represents the percentage of funds in the Total

Mapped Group that had management fees that were lower than the fund's. For example, a hypothetical TMG % of 50% would mean that half of the funds in the Total Mapped Group had higher, and half had lower, management fees than the fund. The fund's actual TMG %s are in the chart below. The "Asset-Size Peer Group" (ASPG) comparison focuses on a fund's standing relative to a subset of non-Fidelity funds within the Total Mapped Group that are similar in size and management fee structure. For example, if a fund is in the first quartile of the ASPG, the fund's management fee ranks in the least expensive or lowest 25% of funds in the ASPG. The ASPG represents at least 15% of the funds in the Total Mapped Group with comparable asset size and management fee structures, subject to a minimum of 50 funds (or all funds in the Total Mapped Group if fewer than 50). Additional information, such as the ASPG quartile in which the fund's management fee rate ranked, is also included in the chart and considered by the Board. The Board also recognized that the income-based component of the fund's management fee varies depending on the level of the fund's monthly gross income, providing for higher fees at higher income levels, and for lower fees at lower income levels.

VIP Money Market Portfolio

Historical Management Fees (BP) vs. Competitive Medians (BP):



	2008	2009	2010	2011	2012
TMG %	4%	6%	6%	6%	7%
Funds	77	71	70	65	62
ASPG Quartile	1st	1st	1st	1st	1st

The Board noted that the fund's management fee rate ranked below the median of its Total Mapped Group and below the median of its ASPG for 2012.

Based on its review, the Board concluded that the fund's management fee is fair and reasonable in light of the services that the fund receives and the other factors considered.

Total Expense Ratio. In its review of each class's total expense ratio, the Board considered the fund's management fee as well as other fund or class expenses, as applicable, such as transfer agent fees, pricing and bookkeeping fees, fund-paid 12b-1 fees, and custodial, legal, and audit fees. The Board also noted the effects of any waivers and reimbursements on fees and expenses. As part of its review, the Board also considered the current and historical total expense ratios of each class of the fund compared to competitive fund median expenses. Each class of the fund is compared to those funds and classes in the Total Mapped Group (used by the Board for management fee comparisons) that have a similar sales load structure.

The Board noted that the total expense ratio of each class ranked above its competitive median for 2012. The Board also noted that the expense comparisons were affected by different levels of waivers and reimbursements of expenses in the extremely low interest rate environment and that on a gross expense ratio basis only Service Class 2 was over the median. The Board considered that, in general, various factors can affect total expense ratios. The Board noted that the total expense ratio of Service Class 2 was above the competitive median primarily because of higher 12b-1 fees for Service Class 2 as compared to competitor funds. The Board noted that the fund offers multiple classes, each of which has a different 12b-1 fee structure, and that the multiple structures are intended to offer a range of pricing options for the intermediary market. The Board also noted that the total expense ratios of the classes vary primarily by the level of their 12b-1 fees, although differences in transfer agent fees may also cause expenses to vary from class to class. The Board considered that Fidelity has been voluntarily waiving part or all of the 12b-1 fees, transfer agent fees, and/or management fees to maintain a minimum yield, and also noted that Fidelity retains the ability to be repaid in certain circumstances.

Fees Charged to Other Fidelity Clients. The Board also considered Fidelity fee structures and other information with respect to clients of Fidelity, such as other mutual funds advised or subadvised by Fidelity, pension plan clients, and other institutional clients. The Board noted the findings of the 2013 ad hoc joint committee (created with the board of other Fidelity funds), which reviewed and compared Fidelity's institutional investment advisory business with its business of providing services to the Fidelity funds, including the differences in services provided, fees charged, and costs incurred, as well as competition in their respective marketplaces.

Based on its review of total expense ratios and fees charged to other Fidelity clients, the Board concluded that the total expense ratio of each class of the fund was reasonable, although above the median of the universe presented for comparison, in light of the services that the fund and its shareholders receive and the other factors considered.

Costs of the Services and Profitability. The Board considered the revenues earned and the expenses incurred by Fidelity in conducting the business of developing, marketing, distributing, managing, administering and servicing the fund and servicing the fund's shareholders. The Board also considered the level of Fidelity's profits in respect of all the Fidelity funds.

On an annual basis, Fidelity presents to the Board Fidelity's profitability for the fund. Fidelity calculates the profitability for each fund, as well as aggregate profitability for groups of Fidelity funds and all Fidelity funds, using a series of detailed revenue and cost allocation methodologies which originate with the books and records of Fidelity on which Fidelity's audited financial statements are based. The Audit Committee of the Board reviews any significant changes from the prior year's methodologies.

PricewaterhouseCoopers LLP (PwC), independent registered public accounting firm and auditor to Fidelity and certain Fidelity funds, has been engaged annually by the Board as part of the Board's assessment of Fidelity's profitability analysis. PwC's engagement includes the review and assessment of the methodologies used by Fidelity in determining the revenues and expenses attributable to Fidelity's mutual fund business, and completion of agreed-upon procedures surrounding the mathematical accuracy of fund profitability and its conformity to allocation methodologies. After considering PwC's reports issued under the engagement and information provided by Fidelity, the Board concluded that while other allocation methods may also be reasonable, Fidelity's profitability methodologies are reasonable in all material respects.

The Board also reviewed Fidelity's non-fund businesses and fall-out benefits related to the mutual fund business as well as cases where Fidelity's affiliates may benefit from or be related to the fund's business.

The Board considered the costs of the services provided by and the profits realized by Fidelity in connection with the operation of the fund and was satisfied that the profitability was not excessive in the circumstances.

Economies of Scale. The Board considered whether there have been economies of scale in respect of the management of the Fidelity funds, whether the Fidelity funds (including the fund) have appropriately benefited from any such economies of scale, and whether there is potential for realization of any further economies of scale. The Board considered the extent to which the fund will benefit from economies of scale through increased services to the fund, through waivers or reimbursements, or through fee or expense reductions. The Board also noted that in 2009, it and the board of other Fidelity funds created an ad hoc committee (the Economies of Scale Committee) to analyze whether Fidelity attains economies of scale in respect of the management and servicing of the Fidelity funds, whether the Fidelity funds have appropriately benefited from such economies of scale, and whether there is potential for realization of any further economies of scale.

The Board recognized that the fund's management contract incorporates a "group fee" structure, which provides for lower group fee rates as total fund assets under FMR's management increase, and for higher group fee rates as total fund assets under FMR's management decrease. FMR calculates the group fee rates based on a tiered asset "breakpoint" schedule that varies based on asset class. The Board considered that the group fee is designed to deliver the benefits of economies of scale to fund shareholders when total Fidelity fund assets increase, even if assets of any particular fund are unchanged or have declined, because some portion of Fidelity's costs are attributable to services provided to all Fidelity funds, and all funds benefit if those costs can be allocated among more assets. The Board concluded that, given the group fee structure, fund shareholders will benefit from lower management fees as assets under FMR's management increase at the fund complex level, regardless of whether Fidelity achieves any such economies of scale.

The Board concluded, taking into account the analysis of the Economies of Scale Committee, that economies of scale, if any, are being appropriately shared between fund shareholders and Fidelity.

Amendment to Description of Group Fee Rate. At its September 2013 meeting, the Board voted to approve an amendment to the fund's management contract to modify the description of the "group fee rate." The Board noted that under the prior description in the contract, the group fee rate was based on the average net assets of all registered investment companies with which FMR has management contracts. Under the contract's tiered asset breakpoint schedule, the group fee rate is lower as total fund assets under FMR's management increase, and higher as total fund assets under FMR's management decrease. The Board considered that the prior description would have excluded the assets of 64 Fidelity sector funds from the group fee rate calculation once Fidelity SelectCo, LLC, an affiliate of FMR, assumed management responsibilities for those funds. The Board noted that modifying the description of the group fee rate to continue to include the assets of those 64 funds for purposes of determining group fee rate breakpoints would avoid an immediate adverse impact on the group fee rate for any fund.

Additional Information Requested by the Board. In order to develop fully the factual basis for consideration of the Fidelity funds' Advisory Contracts, the Board requested and received additional information on certain topics, including: (i) Fidelity's fund profitability methodology, profitability trends for certain funds, and the impact of certain factors on fund profitability results; (ii) portfolio manager changes that have occurred during the past year and the amount of the investment that each portfolio manager has made in the Fidelity fund(s) that he or she manages;

(iii) Fidelity's compensation structure for portfolio managers, research analysts, and other key personnel, including its effects on fund profitability, the rationale for the compensation structure, and the extent to which current market conditions have affected retention and recruitment; (iv) the arrangements with and compensation paid to certain fund sub-advisers on behalf of the Fidelity funds; (v) Fidelity's fee structures, including the group fee structure and definition of group assets, and the rationale for recommending different fees among different categories of funds and classes; (vi) Fidelity's voluntary waiver of its fees to maintain minimum yields for certain money market funds and classes as well as contractual waivers in place for certain funds; (vii) the methodology with respect to competitive fund data and peer group classifications; (viii) Fidelity's transfer agent fee, expense, and service structures for different funds and classes, and the impact of the increased use of omnibus accounts; and (ix) explanations regarding the relative total expense ratios of certain funds and classes, total expense competitive trends and methodologies for total expense competitive comparisons, and actions that might be taken by Fidelity to reduce total expense ratios for certain funds and classes or to achieve further economies of scale.

Based on its evaluation of all of the conclusions noted above, and after considering all factors it believed relevant, the Board ultimately concluded that the advisory fee structures are fair and reasonable, and that the fund's Advisory Contracts should be renewed.

Investment Adviser

Fidelity Management & Research Company
Boston, MA

Investment Sub-Advisers

Fidelity Investments Money Management, Inc.
Fidelity Management & Research (U.K.) Inc.
Fidelity Management & Research (Hong Kong) Limited
Fidelity Management & Research (Japan) Inc.

General Distributor

Fidelity Distributors Corporation
Smithfield, RI

Transfer and Service Agents

Fidelity Investments Institutional Operations Company Inc.
Boston, MA
Fidelity Service Company, Inc.
Boston, MA

Custodian

The Bank of New York Mellon
New York, NY

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