Responsible Independent Fiduciaries in the case of a Multiple Client Account. If Fidelity and such fiduciaries cannot agree on an appraiser, then the fair market value of such assets will be equal to the average of the two closest appraisals generated by three independent appraisers—one selected by Fidelity, one selected by such fiduciaries, and the third selected by the two appraisers chosen by the parties.

Upon Fidelity's resignation as investment manager or trustee, Fidelity will not receive a Performance Fee until the scheduled termination date for the Account. The amount of the Performance Fee will be based upon a deemed distribution of the assets of the Account at their fair market value at the time of Fidelity's resignation, as determined using market sources approved by the Independent Fiduciary of the Client Plan (or specified in the documents establishing the Account, in the case of a Multiple Client Account). If such market sources are not available, the fair market value of the assets will be determined by an independent appraiser mutually agreed to by Fidelity and the Independent Fiduciary of the Client Plan in the case of a Single Client Account or the Responsible Independent Fiduciaries in the case of a Multiple Client Account. However, if Fidelity and such fiduciaries cannot agree on an appraiser, the procedure described above will be followed.

The Performance Fee will be calculated at the time of resignation based upon the total value of the assets in the Account. The amount of the Performance Fee for such assets will be multiplied by a fraction, the numerator of which will be the sum of the disposition proceeds of all assets in the Account received prior to the termination date plus the fair market value of the assets remaining in the Account on the termination date and the denominator of which will be the aggregate value of the assets in the Account used in determining the amount of the Performance Fee as of the date of resignation, provided that this fraction will never exceed 1.0. The resulting amount will be the Performance Fee payable to Fidelity on the scheduled termination date of the Account. Thus, even if the value of the assets declines after Fidelity's resignation, Fidelity will still receive the Performance Fee for the period of time that it acted as an investment manager or discretionary trustee for the Account if the Client Plans would have received distributions from the Account in excess of an amount equal to the Threshold Amount at the time of Fidelity's resignation, subject to the

operation of the fraction discussed above. The fraction ensures that an appropriate reduction in the Performance Fee will be made upon termination of the Account if the value of the assets in the Account declines after Fidelity resigns as the investment manager or discretionary trustee of the Account, based on the valuation of such assets at the time of resignation.

8. A Single Client Account will terminate upon expiration of the period of years specified as the term for the Account in the Agreement or upon the removal or resignation of Fidelity. However, the period of years specified in the Agreement may be extended by the Independent Fiduciary of the Client Plan. In addition, a Single Client Account may be terminated at any time by the Independent Fiduciary upon ninety (90) days written notice to Fidelity.

A Multiple Client Account will terminate upon the occurrence of any of the following events: (i) The affirmative decision of the Responsible Independent Fiduciaries; (ii) the failure of the Responsible Independent Fiduciaries to appoint a successor investment manager or trustee; (iii) expiration of the period of years specified as the term of the Account in the Agreement, provided that the period of years is not extended by the Responsible Independent Fiduciaries; (iv) the distribution of all assets of the Account; or (v) such other

the documents governing the Accounts.

Upon termination of a Single Client
Account, the assets in the Account will
be distributed to the Client Plan in cash
or in kind as agreed to by Fidelity and
the Independent Fiduciary. In case of a
Multiple Client Account, such
distributions (i.e., cash or in-kind) will
be agreed to by Fidelity and the
Responsible Independent Fiduciaries for
the Account.

circumstances as may be specified in

Fidelity will be entitled to the Performance Fee upon termination of the Account for all remaining distributions made from the Account if the Threshold Amount has been or would be reached at such time. In the case of an in kind distribution of assets of the Account, the Performance Fee will be based on the fair market value of the assets of the Account as determined using market sources approved by the Independent Fiduciary of the Client Plan (or specified in the documents establishing the Account, in the case of a Multiple Client Account). If market sources are unavailable, the fair market value of the assets will be determined by an independent appraiser mutually agreed to by Fidelity and the Independent Fiduciary of the Client Plan in the case of a Single Client Account or the Responsible Independent Fiduciaries in the case of a Multiple Client Account. If Fidelity and such fiduciaries cannot agree on an appraiser, then the same procedure described in Item 7 above will be followed.

9. Each Client Plan will receive throughout the term of an Account the following information:

(a) Quarterly and annual reports prepared by Fidelity relating to the overall financial position of the Account and, in the case of a Multiple Client Account, the balance of such Client Plan's interest in the Account. In addition, such reports will include a statement regarding the amount of all fees paid to Fidelity during the period covered by the report.

(b) Annual reports indicating the current fair market value of all assets in the Account as established by using market sources or independent appraisals (provided that no such appraisals will be required for assets acquired for the Account within twelve (12) months preceding the end of the period covered by the report unless such appraisals are necessary for purposes of determining any compensation due to Fidelity based on the value of the assets in the Account for that period).

(c) In the case of a Multiple Client Account, a list of the investors in the Multiple Client Account.

(d) Audited financial statements prepared by independent public accountants selected by Fidelity, within ninety (90) days of the end of the Account fiscal year.

The Independent Fiduciary for the Client Plan, as well as other authorized persons described above in paragraph (m)(1) of Section III, will have access during normal business hours to Fidelity's records for the Accounts in which the Client Plan has an interest.

10. In summary, the applicant represents that the proposed transactions satisfy the statutory criteria of section 408(a) of the Act because, among other things:

(a) Each investment in any Account will be authorized in writing by an Independent Fiduciary of a Client Plan;

(b) No Client Plan may establish a Single Client Account or invest in a Multiple Client Account unless the Client Plan has total net assets with a value in excess of \$50 million. In addition, a Client Plan may not invest, in the aggregate, more than five percent (5%) of its total assets in any one Account or more than ten percent (10%)