

MEMORANDUM

April 9, 2004

TO: Files

FROM: Daphne Tippens Chisolm
Counsel to Commissioner Goldschmid

RE: Release No. IC-26323; File No. S7-03-04

On April 9, 2004, Eric D. Roiter, Senior Vice President and General Counsel of Fidelity Management & Research Company, met with Commissioner Goldschmid and Daphne Chisolm, counsel to the Commissioner. He discussed a possible alternative to the proposed independent chairman requirement. The alternative would permit a mutual fund board to either have an independent director as chairman or comply with comparable corporate governance safeguards as specified in his proposal. Mr. Roiter gave the Commissioner and his counsel a proposed draft of the possible alternative, a copy of which is attached.