MEMORANDUM

TO: Public Comment File No. S7-27-03

FROM: Adam B. Glazer
       Office of Regulatory Policy
       Division of Investment Management ("IM")

DATE: May 17, 2004

On May 6, 2004, Fidelity Investments submitted the attached suggested changes to the proposed amendments to rule 22c-1.

Attachment
Suggested Changes to Proposed Rule 22c-1
(May 5, 2004)

1. Designated Transfer Agent

(c) Definitions. For the purposes of this section,

(1) Designated transfer agent means any registered transfer agent (as defined in section 3(a)(25) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)(25))) that is designated in the fund’s registration statement filed with the Commission, and that (i) is under common control (as defined in section 2(a)(9) of the Investment Company Act of 1940, 15 U.S.C. 80a-2(a)(9)) with the fund’s investment adviser and (ii) is required by written contract to receive order information and maintain a record of the date and time it receives the order information.

Designated transfer agent also means any designated sub-transfer agent that (i) has a contractual agreement with the fund’s designated transfer agent under which the sub-transfer agent is required to (a) receive on behalf of the fund’s designated transfer agent all fund orders through one or more specified methods of delivery and (b) maintain a record of the date and time it receives trade information; (ii) is registered with the Commission as a transfer agent; and (iii) is identified in the fund’s registration statement as the fund’s sub-transfer agent. A fund may have more than one designated transfer agent.

2. Conduit and Fund-of-Funds Exception

(b) Exemptions permitted. Notwithstanding paragraph (a) of this section:

(2) Transactions through conduit funds. (i) An underlying fund may deem receipt of an order to have occurred immediately before the applicable pricing time if the fund, its designated transfer agent, or registered clearing agency receives the order from a registered investment company that invests in the underlying fund in reliance on section 12(d)(1)(E), (F) or (G) of the Act (15 U.S.C. 80a-12(d)(1)(E), (F) and (G), respectively), or in reliance on an exemption from any of these sections issued pursuant to section 12(d)(1)(J) of the Act (15 U.S.C. 80a-12(d)(1)(J)), but only if the registered investment company has delivered time-stamped instructions to the underlying fund, its designated transfer agent, or registered clearing agency prior to the applicable pricing time specifying the percentage of net shareholder flows into or out of the registered investment company to be invested in or redeemed from the underlying fund or funds.

(ii) A registered investment company must deliver the time-stamped instructions prior to the applicable pricing time specifying either that they are effective only for the day of delivery or that they are effective until further instructions are provided. In the latter case, such further instructions will take effect on the day of delivery only if they are provided to the underlying fund, its designated transfer agent, or registered clearing agency prior to the applicable pricing time on that day.