

UNIQUE COLLEGE INVESTING PLAN
Minutes of the Telephonic Meeting of November 27, 2002

The forty-fourth meeting of the NH College Savings Plan Advisory Commission was called to order at 9:00 AM by Sylvia Larsen, Chairman. The meeting was held over the telephone due to the pressing nature of the issue to be discussed. The following were on the phone call:

Michael Cryans	Public Member from Hanover
Linda Hodgdon	Budget Director representing the Governor
Sylvia Larsen	Senator from Concord
Ingrid Lemaire	Senior Director, Research and State Relations, NH Higher Education Assistance Foundation
Michael Ablowich	Commissioner of the Treasury
Martha Gooze	Public Member from Durham
Ann Weddleton	Grants Coordinator, representing the Community Technical College System
Richard Gustafson	President, Southern New Hampshire University, representing the College and University Council

Absent were:

Father Jonathan DeFelice	President, Saint Anselm, representing the Post Secondary Education Commission
Alan Thulander	Representative from Frankestown
Andrew Peterson	Representative from Peterborough
Edward Gordon	Senator from Bristol
Edward MacKay	Vice Chancellor, representing the University System of New Hampshire

Also on the call were Ed Nigro, David Pearlman, and Mary Connors from Fidelity.

Mr. Pearlman explained that interest rates are at all time lows. Low yields, especially on money market funds has created a situation where fees charged on certain classes of the Fidelity Advisor 529 Money Market fund may be more than the yield on the fund. This means that customers may see a "negative" yield on their cash. In other words they would actually lose principal on an investment in cash (money market). In

order to avoid this situation Fidelity is proposing that they waive a portion of the fees on the money market fund in the advisor plan. The fee that would be waived is not the .3% that is split between the State and Fidelity, but in this case the 1% on Class B and C shares, or the .75% on Class P shares, that would ordinarily go to Fidelity.

Instead of waiving the entire fee, Fidelity proposes waiving a sufficient amount of the fee so that the effective annual yield (net of fees) on the FA 529 Money Market fund is not lower than .1%.

After a brief discussion concerning the overall market conditions and the time horizon during which this fee waiver would be effective, Mr. Gustafson motioned to accept a fee waiver by amending the Investment Management Agreement to allow for an effective annual yield on the FA 529 Money Market fund of not less than .1%. Ms. Hodgdon seconded the motion. The motion was approved unanimously.

The call ended at 9:15 AM.