

For purposes of this Condition 5, a majority of the Disinterested Directors will determine whether or not any proposed action adequately remedies any material irreconcilable conflict, but, in no event will MIT, any Fund or MSS (or any other investment adviser to a Fund), as relevant, be required to establish a new funding medium for any variable contract. No Participating Insurance Company will be required by this Condition 5 to establish a new funding medium for any variable contract if an offer to do so has been declined by the vote of a majority of the contract owners materially and adversely affected by the material irreconcilable conflict. Further, no Qualified Plan will be required by this Condition 5 to establish a new funding medium for the Plan if: (a) A majority of its participants materially and adversely affected by the irreconcilable material conflict vote to decline an offer to do so, or (b) pursuant to applicable law and governing plan documents, the Qualified Plan makes such decision without a vote of plan participants.

6. A Board's determination of the existence of a material irreconcilable conflict and its implications will be made known in writing promptly to all Participants.

7. Participating Insurance Companies will provide pass-through voting privileges to all variable contract owners whose contracts are funded through registered separate accounts so long as the Commission continues to interpret the Act as requiring such pass-through voting privileges. Accordingly, each Participating Insurance Company, where applicable, will vote shares of a Fund held in its separate accounts in a manner consistent with voting instructions timely-received from contract owners. Each Participating Insurance Company will vote shares of a Fund held in its separate accounts for which no voting instructions from contract owners are timely-received, as well as shares of a Fund which the Participating Insurance Company itself owns, in the same proportion as those shares of the Fund for which voting instructions from contract owners are timely-received. Each Participating Insurance Company will be responsible for assuring that each of its separate accounts investing in a Fund calculates voting privileges in a manner consistent with other Participating Insurance Companies investing in that Fund. The obligation to calculate voting privileges in a manner consistent with all other separate accounts investing in a Fund will be a contractual obligation of all Participating Insurance Companies under their agreements governing

participation in that Fund. Trustees of Qualified Plans will vote shares held by Qualified Plans in accordance with applicable law and governing plan documents.

8. As long as the Commission continues to interpret the Act as requiring pass-through voting privileges to be provided to variable contract owners, MSS and any of its affiliates will vote their shares of any Fund in the same proportion as all variable contract owners having voting rights with respect to the relevant Fund or in such other manner as may be required by the Commission or its staff.

9. Each Fund will comply with all provisions of the Act requiring voting by shareholders (which for these purposes, will be the persons having a voting interest in shares of the relevant Fund), and, in particular, each Fund will either provide for annual meetings (except to the extent that the Commission may interpret section 16 of the Act not to require such meetings) or comply with section 16(c) of the Act (although Existing Funds are not, and Future Funds will not be, the type of trust described in the section 16(c) of the Act), as well as with section 16(a) of the Act and, if and when applicable, section 16(b) of the Act. Further, each Fund will act in accordance with the Commission's interpretation of the requirements of section 16(a) with respect to periodic elections of directors and with whatever rules the Commission may promulgate with respect thereto.

10. Each Fund will notify all Participating Insurance Companies and all Qualified Plans investing in the Fund that disclosure in separate account prospectuses or any Qualified Plan prospectuses or other Plan disclosure documents regarding potential risks of mixed and shared funding may be appropriate. Each Fund will disclose in its prospectus that: (a) Shares of the Fund may be offered to insurance company separate accounts for both variable annuity and variable life insurance contracts and to Qualified Plans; (b) due to differences in tax treatments and other considerations, the interests of various contract owners participating in the Fund and the interests of Qualified Plans investing in the Fund may conflict; and (c) the Fund's Board will monitor events in order to identify the existence of any material irreconcilable conflicts and determine what action, if any, should be taken in response to any such conflict.

11. If, and to the extent that, Rule 6e-2 and Rule 6e-3(T) under the Act are amended, or proposed Rule 6e-3 under the Act is adopted, to provide

exemptive relief from any provision of the Act, or the rules promulgated thereunder, with respect to mixed or shared funding, on terms and conditions materially different from any exemptions granted in the order requested in this Application, then the Funds and/or the Participating Insurance Companies, as appropriate, will take such steps as may be necessary to comply with Rules 6e-2 or 6e-3(T) as amended, or Rule 6e-3 as adopted, as such rules are applicable.

12. The Participants, at least annually, will submit to the Board of each relevant Fund such reports, materials, or data as such Board reasonably may request so that the Board may fully carry out the obligations imposed upon it by the conditions contained in this Application, and said reports, materials, and data shall be submitted more frequently if deemed appropriate by the Board. The obligations of the Participating Insurance Companies and Qualified Plans to provide these reports, materials, and data to the Board will be a contractual obligation under their agreements governing participation in the Funds.

13. All reports of potential or existing conflicts received by the Board of a Fund, and all action by the Board with regard to determining the existence of a conflict, notifying Participants of a conflict, and determining whether any proposed action adequately remedies a conflict, will be properly recorded in the minutes or other appropriate records of the Board, and such minutes or other records shall be made available to the Commission upon request.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Margaret H. McFarland,

Deputy Secretary.

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SECURITIES AND EXCHANGE COMMISSION

Sunshine Act Meeting Notice

FEDERAL REGISTER CITATION OF PREVIOUS ANNOUNCEMENT: 68 FR 23332, May 1, 2003.

STATUS: Closed meeting.

PLACE: 450 Fifth Street, NW., Washington, DC.

DATE AND TIME OF PREVIOUSLY ANNOUNCED MEETING: Tuesday, May 6, 2003, at 10 a.m.

CHANGE IN THE MEETING: Cancellation of meeting.