SUMMARY OF WILMINGTON TRUST LATE DAY TRADING ADDENDUM

(The complete version of the "Late-Day Trading Addendum" is located on the BOG website)

This one document amends the prior Board of Governors approved 401(a) Trust Agreement and the 403(b) and 415(m) Custodial Agreements.

This document sets out the schedule for late day trading, and says that trade requests received after the cut off time will be executed on the next business day.

As to UNC, the document's primary purpose is for UNC to authorize late day trading and to protect Wilmington Trust from liability if delays or errors occur in late day trading that are not Wilmington Trust's fault. Much of the document discusses the duties of the recordkeeper (Lincoln/AMG) in such trades.

SUMMARY OF FIDELITY SECOND AMENDMENT AND ATTACHMENTS

(The complete version of the "FIDELITY SECOND AMENDMENTS AND ATTACHMENTS" are located on the BOG website)

1. Second Amendment to Trust Agreement

The Amendment to 4.b. of the original Agreement adds new sub-subsection iii, which authorizes the use of collective investment funds managed by Fidelity. They had not been previously authorized for use in the ORP.

The new subsection 4.f. permits use in the ORP of a group trust, named "Managed Income Portfolio," and adopts the terms of its underlying documents (attached and summarized below) as a part of this amendment.

The amendment then adds the "Managed Income Portfolio," a commingled pool of a Fidelity group trust, to the Administrative Services and Investment Options Schedules of the original Agreement. This change will permit participants to invest in this portfolio.

The amendment also adds to Schedule G of the original Agreement so as to impose a 90 day restriction before funds may be moved from the Managed Income Portfolio to a competing fund, by requiring an exchange into a non-competing fund for that time period.

The Amendment accepts the limits on confidentiality under North Carolina law and makes clear that Fidelity is liable for its negligent acts and omissions as Trustee and Manager. (For details, see below).

2. Four attachments are incorporated by reference into the Second Amendment, and thus are a part of the Second Amendment.

A. (Sec. I) Participation Agreement

<u>Appointment</u>: UNC appoints Fidelity Management Trust Co as the Investment Manager for assets transferred to the Manger.
<u>Investments</u> under this agreement are limited to the Fidelity Managed Income Portfolio.
<u>Powers and duties</u> of the Manager are governed by the two following documents (Declarations). Under the Participation Agreement, Fidelity will: comply with laws and regulations that relate to its duties, act solely in the interest of the participants/ beneficiaries, act consistently with the prudent man standard, diversify investments in the portfolio to minimize risk of large loss, and act in accordance with Plan documents insofar as they are "consistent with the provisions" of law and this Participation Agreement. (This Agreement prevails over the Plan document when in conflict.)
<u>Fees</u>: Fidelity will give the trustee (Fidelity) cash/assets as directed by UNC. Fidelity receives a .55% (annualized rate) fee on a monthly basis. A change in the fee requires at least 60 days notice.

Liability: The Manager (Fidelity) has no liability for the management of other assets in the trust by the Trustee (Fidelity). The Manager (Fidelity) is not liable for the acts/omissions of the Trustee (Fidelity). This issue has been resolved in the Second Amendment.
Fiduciary: Fidelity is a fiduciary.
Representations by UNC: UNC makes representations about the status of its Plan so as to determine if it meets the IRS investing requirements for this qualified trust.
Accounting: An accounting must occur at least once a year.
Confidentiality: This agreement seeks to make information/recommendations of Fidelity confidential, which is not entirely consistent with North Carolina law. This issue has been resolved in the Second Amendment.
Termination: It requires 30 days notice to terminate the agreement.
Choice of Law: This agreement is subject to the laws of Massachusetts.

B. (Sec. II) Declaration of Trust

Trustee: Fidelity Management Trust Co is the Trustee.
Limits on Who Invests: A "qualified investor" includes a qualified plan under 401(a) and a qualified governmental plan under 401(a)(24). The Trustee will only accept deposits from qualified investors.
Assets/Ownership: Assets are for the exclusive benefit of participants/beneficiaries until all liabilities to them have been satisfied. UNC's interest in the Trust may not be assigned or subject to attachment.
UNC represents and warrants that it is a qualified investor (to protect the tax exempt nature of the trust).
Choice of Law: Massachusetts laws apply to the Trust.
Powers: The Trustee may exercise all of the powers of an owner as to the assets in the Fund. Powers and duties of the Trustee in buying, holding, and selling assets are set out in detail, including exercising the power of an owner.
Investment options are generally very broad. Foreign investments are limited by ERISA sec. 404(b). The Trustee may enter into custodial agreements and brokerage agreements with the foreign banks.
Separate Funds: When a separate Fund is created as part of the Trust, the Trustee is subject to the restrictions set out in this Declaration, which includes that each Fund will be independent and separate from the others, and the assets are owned by the Trustee and not UNC.
Units of Interest: Participants' interest in the Fund will be described by "units."
Deposits to and withdrawals from the Fund occur only on the valuation date, which is the last business day of the month. Advance written notice of at least 15 business days is required prior to withdrawals from a Fund.
Distribution if UNC Disqualified: If UNC should loose its status as a qualified investor or if the Trustee resigns/is removed, the Trustee may withdraw the units attributable to UNC from the Fund at the next valuation date and distribute the assets.
Audit: An independent audit by a CPA is required at the end of each fiscal year.

Limit on Challenging Accounts: The Trustee's accounts to UNC are deemed accurate if no objection is filed within 60 days after the account has been furnished.
Liquidating and Transition Accounts: A Liquidating Account may be created for liquidating assets. Transition Accounts hold assets until the time they are invested in assets suitable for the Fund or in connection with a withdrawal. Assets in Liquidating or Transition Accounts are not considered part of the investment fund.
Amendment: The Trust may be amended by the Board of Directors of the Trustee, but shall not be effective until at least 60 days notice is furnished to UNC.

C. (Sec. III) Declaration of Separate Fund

MIP Created: This document creates a separate fund called the "Managed Income Portfolio." It is a commingled pool for assets of employee benefit plans.
Goal: It seeks the preservation of capital and to provide a competitive level of income.
Investment Options: The Fund has broad latitude in its choice of investments. Investments have to meet the credit and diversification requirements of the Trustee at the time of purchase.
Valuation: The Portfolio is valued daily.
Penalty Possible if Change in Options: A penalty may be assessed for a withdrawal due to a change by UNC in investment options.
Limits on Investors: The Portfolio is limited to qualified investors.
Individual Withdrawing Assets: Generally there are no waiting periods for a participant to withdraw assets.
UNC Change in Investment Option: UNC must give 12 months written notice before it may make withdrawals as a Plan Sponsor; that is, if UNC decides to discontinue offering this investment to participants and wants to move the participants' money to another investment.
Discretion on Time of Payouts: The Trustee has some discretion on payouts so as to consider cash flows and portfolio management.
Amendment: The Trustee may change the investment objectives/guidelines upon 60 days prior notice to UNC.

D. (Sec IV) IRS' Determination Letter

This is a July 29, 2005 letter declaring this group trust arrangement as tax exempt, and sets out the tax law sections to which the trust is subject.

NOTE: The 403(b) Custodial Agreement does not have to be amended because that money is not eligible for investment in the MIP. It is unclear at this time whether or not a 415(m) Custodial Agreement exists. If it does, it will need to be amended next month. If it does not, then I will be presenting you with one for your review and approval.