

IN THE MATTER OF THE SECURITIES LEGISLATION
OF BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO,
QUEBEC, NEW BRUNSWICK, PRINCE EDWARD ISLAND, NOVA SCOTIA ,
NEWFOUNDLAND AND LABRADOR, YUKON, NUNAVUT AND NORTHWEST
TERRITORIES

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF
FMR CORP.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland and Labrador, Yukon, Nunavut and the Northwest Territories (the "Jurisdictions") has received an application from FMR Corp. (the "Filer") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") exempting:

1. the Filer and certain representatives of the Filer (the "Representatives"), from the dealer and adviser registration requirements contained in the Legislation (the "Registration Requirement") and the prospectus requirement contained in the Legislation (the "Prospectus Requirement") in respect of certain activities to be conducted by the Representatives which would involve trading in securities with or for persons or companies who are holders of, or contributors to, tax-advantaged retirement savings plans ("U.S. Retirement Plans") which are located in the United States of America ("U.S. Retirement Plan Clients") and investment advisory activities solely incidental thereto; and

2. the Filer and those of its affiliates (the "Affiliates") who are registered broker-dealers with the United States Securities and Exchange Commission ("SEC"), and their agents, from the Registration Requirement and the Prospectus Requirement in order to permit them to trade in foreign securities with U.S. Retirement Plan Clients in the manner contemplated by National Instrument 35-101 - Conditional Exemption from Registration for United States Broker-Dealers and Agents ("NI 35-101") provided that such trading is conducted in accordance with all terms and conditions of NI 35-101 save and except for the requirement that the Filer have no office or physical presence in any jurisdiction of Canada or otherwise in accordance with the relief obtained hereunder.

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application.

AND WHEREAS, unless otherwise defined, the terms herein have the meaning set out in National Instrument 14-101 Definitions or in Quebec Notice 14-101;

AND WHEREAS the Filer has represented to the Decision Makers that:

1. The Filer is a corporation incorporated under the laws of the State of Delaware, with its principal place of business located in Boston, Massachusetts, United States of America. The Filer is the holding company for a group of affiliated entities commonly known as Fidelity Investments. Through its affiliates, the Filer engages in a variety of businesses, notably financial services and employer services outsourcing. The Filer's affiliated entities include a number of registered broker-dealers, investment advisers and transfer agents, in North America and in other countries across the world. The Filer currently has a presence in Canada through Fidelity Investments Canada Limited ("FICL"), an affiliate of the Filer that is registered as a mutual fund dealer, commodity trading manager and adviser in the categories of investment counsel and portfolio manager with the Ontario Securities Commission, and in equivalent categories in all other provinces and territories.

2. The Filer is proposing to transfer a portion of its call centre operations to an office in Toronto, Ontario (the "Toronto Call Centre"). The Toronto Call Centre will operate through Fidelity Canadian Corporation, a wholly owned subsidiary of the Filer that has been recently incorporated under the federal laws of Canada to accommodate such operations.

3. The Filer chose Ontario as the location for the call centre because of the ability to co-exist with FICL in terms of mitigating start-up costs and leveraging the existing call centre systems infrastructure. For clarification purposes, the relationship between FICL and the Toronto Call Centre will be solely limited to the sharing of administrative resources. Although the activities of each entity will be separate, the Toronto Call Centre is expected to be physically located in close proximity to FICL's offices.

4. The Filer is establishing the Toronto Call Centre to service clients of its unit, Fidelity Employer Services Company ("FESCO"). FESCO is retained by employers to provide a broad spectrum of human resources and benefits outsourcing products and services. FESCO's clients include many types of corporate, governmental and tax-exempt employers, comprising more than 12.7 million employees. FESCO services these employees through the administration of more than 11,000 retirement, defined benefit pension, health and welfare, human resources administration and payroll programs.

5. The Toronto Call Centre will be established for the purpose of answering inbound phone calls from FESCO clients and their employees regarding the various programs administered by FESCO. The Filer expects the Toronto Call Centre to initially service only the defined contribution retirement plans (the "Proposed Defined Contribution Retirement Plan Services") (as discussed further in paragraph 9 below) and health and welfare plans of FESCO clients. In the future, the Toronto Call Centre may expand its operations to include other outsourced

employer services, including human resources administration, payroll and defined benefit pension programs. It is not anticipated that either the planned health and welfare servicing or the future services will require registration under the Act, and no exemption is hereby requested for those future services.

6. The Toronto Call Centre will not otherwise be accessible to, or by, any person or company other than the Filer and its associates and affiliates, and FESCO clients and their employees.

7. As noted above, the call centre will service FESCO clients and their employees who participate in U.S. Retirement Plans. The U.S. Retirement Plans are defined contribution retirement plans, which are established by employers (plan sponsors) for the benefit of their employees (plan participants). Contributions to these plans generally grow tax-deferred until withdrawn, and employee contributions can be made on a pre-tax basis. The plan sponsor is responsible for the design, creation, implementation and operation of the plan. The plan sponsor retains service providers, such as the Filer or its affiliates, to provide necessary or appropriate plan services. The plan sponsor makes all major decisions concerning the plan. In contrast, plan participants are generally entitled only to contribute, select investment options from a specified list of options, borrow from their plan accounts, and withdraw money from the plan. The funding vehicle for most defined contribution retirement plans generally takes the form of a trust. Under U.S. law, the plan sponsor and certain service providers have strict fiduciary obligations to the plan and employees participating in the plan.

8. There are approximately 12.6 million employees in U.S. Retirement Plans serviced by the Filer. Certain of those employees currently reside in Canada (the "Canadian Clients"). These Canadian Clients fall into two categories:

(a) Employees of Canadian businesses with U.S. affiliates that are contributors to U.S. Retirement Plans for their employees; and,

(b) Canadian residents who have at one time been, or are currently, employed by a U.S. employer who are participants in U.S. Retirement Plans located in the U.S.

Of the 12.6 million retirement plan participants serviced by the Filer, approximately 5,100 Canadian Clients currently hold funded accounts. These accounts were established pursuant to the rules of the retirement plans in which the Canadian Clients participate, and are valid under U.S. law. Generally, Canadian Clients benefit from participation in the retirement plans, both by virtue of any employer contributions to their plan accounts, and by favourable U.S. tax treatment of their U.S. based income.

9. The scope of the Toronto Call Centre's Proposed Defined Contribution Retirement Plan Services will initially consist of some, or all, of the following services, generally in response to inbound U.S. Retirement Plan Client calls in order to:

(a) provide to participants (employees) and/or clients (employers) a variety of information and informational material regarding the plan, including descriptions

of plan features and benefits, descriptions of plan investment options, and investment education and guidance tools;

(b) input and maintain participant indicative data on the plan record-keeping system;

(c) determine the eligibility of participants to participate in the plans based upon client data feeds, service configuration, automated eligibility tracking and similar systems;

(d) provide information to a participant regarding the enrolment process including a participant's contribution deferrals;

(e) process participants' requests to exchange, or switch, between plan investment options ("switches") (being Fidelity U.S. mutual funds and other non-Canadian securities);

(f) process disbursement transactions including loans, hardship withdrawals, partial and full payouts of participants' balances in the plan, minimum required distributions, and return of excess contributions;

(g) provide reports to, and on behalf of, the plan sponsors including monthly trial balances, quarterly administrative reports, and annual reports;

(h) provide reports and notices to plan participants, such as confirmations (e.g., for exchanges between investment options or plan disbursements), statements, and notices that may be required by the applicable law; and,

(i) process forfeiture and death benefit transactions, including the related functions of segregating account assets and liquidating accounts, as applicable (the "Proposed Defined Contribution Retirement Plan Services").

Other than the "switches" and the contribution deferral arrangements, Representatives will not initially take trading orders since the calls to be directed to the Toronto Call Centre will be limited to customer service inquiries that can be resolved administratively.

10. The Representatives will not be, and will not initially be required to be, registered under U.S. securities law, however they will comply with any applicable rules established by U.S. regulatory authorities. The Representatives will be required to follow employee screening procedures similar to those employed by the Filer for its non-registered personnel in the U.S.

11. The Toronto Call Centre will not be registered as a broker-dealer under U.S. securities law. The Toronto Call Centre will be operated in accordance with applicable rules, if any, established by U.S. regulatory authorities. The Toronto Call Centre will be subject to procedures similar to those set in place for the Filer's existing U.S. business, including examination by representatives from the Filer's compliance staff or internal audit staff.

12. It is possible that in the future the Representatives may be registered under U.S. securities law in order to engage in trading activities. To the extent that the Representatives are to engage in such trading activities, the Filer will comply with any applicable Canadian securities regulatory requirements at that time.

13. The Toronto Call Centre will not trade in securities with or on behalf of persons or companies who are resident in Canada except in accordance with the dealer registration and prospectus exemptions available pursuant to NI 35-101 or otherwise in accordance with the relief obtained hereunder.

14. The Filer and the Representatives who act in Ontario on behalf of the Filer in respect of trades with or on behalf of U.S. Retirement Plan Clients of the Toronto Call Centre will comply with any applicable requirements of U.S. securities law.

15. Without this MRRS Decision Document, the Filer and the Representatives who act in Ontario on behalf of the Filer may be unable to satisfy the Registration Requirement and the Prospectus Requirement.

16. The Filer, its Affiliates and the Toronto Call Centre currently, or in the future may, rely on NI 35-101 for the purposes of dealing with U.S. Retirement Plan Clients that are resident in Canada. Section 2.1 of NI 35-101 requires that the Filer have "no office or physical presence in any jurisdiction" of Canada.

17. As a consequence of the trading activity that would be conducted by the Toronto Call Centre, the Filer and its Affiliates and the Toronto Call Centre will technically no longer be able to continue to rely on NI 35-101 as it may be argued that the Filer has an office or other physical presence in Canada.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers pursuant to the Legislation is that:

(a) the Representatives working in the Toronto Call Centre shall not be subject to the Registration Requirement and the Prospectus Requirement where the Representatives act on behalf of the Filer or its affiliates in respect of trades (or providing solely incidental investment advice) in securities with or on behalf of U.S. Retirement Plan Clients, provided that the Representatives comply with any applicable requirements of U.S. securities law; and

(b) the Filer and its affiliates shall not be subject to the Registration Requirement and the Prospectus Requirement with respect to trading (or providing solely

incidental investment advice) through the Toronto Call Centre in securities with or for U.S. Retirement Plan Clients, provided that:

(i) a Representative working in the Toronto Call Centre acts on behalf of the Filer or its affiliates in respect of such trading; and

(ii) the Filer and its affiliates comply with any applicable requirements of U.S. securities law; and

(c) the Registration Requirement and the Prospectus Requirement shall not apply to the Filer and the Affiliates and their respective agents, in order to permit them to trade in foreign securities with U.S. Retirement Plan Clients for trades conducted outside and apart from the activities of the Toronto Call Centre provided that such trading is conducted in accordance with all terms and conditions of NI 35-101 save and except for the requirement that the Filer have no office or physical presence in any jurisdiction of Canada or otherwise in accordance with the relief obtained hereunder.

June 10, 2003

"Paul M. Moore"

"Harold P. Hands"