

As you know, the Trustees of the _____ have determined that it is in the best interest of the participants and beneficiaries for your firm to direct a portion of their investment transactions on behalf of the Fund through one of Pension Fund Evaluations, Inc.'s 11 clearing brokers. The target level is ____% of the transactions. This is, of course, subject to your satisfaction that you are receiving best execution of the Fund's brokerage transactions from PFEI's brokers and that any payments made to these brokers are reasonable in relation to the value of services received.

This directed brokerage arrangement is intended to reduce Fund expenses and increase the Fund's cash flow. Specifically, the Fund intends to decrease its brokerage commissions by recapturing some of the commissions and using them to pay necessary Fund expenses and benefits. To that end, PFEI will make a cash rebate to the Fund in an amount and manner agreed upon with the Trustees based on the total commissions generated through transactions booked by PFEI's brokers. This rebate will be used exclusively for the benefit of the Fund and its beneficiaries. There are to be no fees beyond the broker's normal commissions.

The Trustees will monitor your investment performance on a regular basis, in part to confirm that you have obtained best execution of the Fund's brokerage transactions through PFEI's brokers and that PFEI's brokerage commissions are reasonable compared with the value of the brokerage services provided to the Fund. PFEI shall receive a copy of all transactions for the Fund done through the above mentioned clearing firms.

Trustee

Date

Trustee

Date