

# Abel Noser

> Abel/Noser Corp.  
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March 26, 2002

Mr. Stuart A. Reagan, CFA  
Chief Investment Officer  
Kentucky Teachers' Retirement System  
477 Versailles Road  
Frankfort, Kentucky 40601-3800

Dear Mr. Reagan:

This letter will serve as the agreement between Abel/Noser Corp. and Kentucky Teachers' Retirement System, for Abel/Noser to provide the following service.

Abel/Noser will provide Kentucky Teachers' Retirement System with Transaction Measurement Reports on a semi-annual basis for an annual fee of \$15,000. The report will be presented to all interested parties at Kentucky Teachers' Retirement System by an Abel/Noser representative.

The fee will be in hard dollars and due and payable after each report has been presented (semi-annually \$7,500).

Going forward, Kentucky Teachers' Retirement System will have the option to pay for the service in soft dollars or hard dollars.

For the soft dollar arrangement, Abel/Noser will credit Kentucky Teachers' Retirement System at a rate of 70% of gross commission and apply that credit to the annual report cost. Any monies over and above the \$15,000 will be returned to Kentucky Teachers' Retirement System at the 70% rate.

If the foregoing meets with your approval please sign below and return one copy in the envelope provided.

Abel/Noser looks forward to working with Kentucky Teachers' Retirement System.

Accepted for  
Kentucky Teachers' Retirement System

Stuart A. Reagan, CFA  
Chief Investment Officer

Date: 3-27-02

WPC:rp

Accepted for  
Abel/Noser Corp.

William P. Conlin  
Executive Vice President

Date: 3/26/02