



MUTUAL FUND SCANDAL AND THE DAP

The Directed Account Plan utilizes the investment services of over 20 mutual funds in its fund of funds structure.

The widely publicized problems of market timing and late trading have been identified in four of our fund families. All of our managers were contacted and have responded with the results of their investigation to date. Janus Small Cap Value, MFS Emerging Equities, and the Stable Value product managed by Invesco were not involved. Federated Stock Trust (used in the Value Stock Option) has reported some instances of late trading in that fund. Their investigation is ongoing and the

Board will take whatever action it deems appropriate when it is completed. The Board continues to monitor the mutual fund issue and will take the necessary action if our funds are found guilty of wrongdoing.

You can expect changes later this year in the administration of the Plan as a result of the late trading and market timing issues. Legislation is underway to possibly change the times trades are allowed and to charge universal redemption fees for short term trades.

In 1999 the DAP introduced a 1% redemption fee in the International

Fund for trades shorter than 30 days. The fee for all trades in excess of 12 per year was recently increased to \$500 to discourage excess trading and market timing. We may find that the government will impose even stronger rules. **HU**

DAP GOVERNANCE

Since April 2001 and the TWA/American transaction, The Directed Account Plan has been governed by an independent Board of Directors. The make-up of the Board has not changed from the old TWA Pilots Directed Account Plan with two DAP participants (pilots), two plan sponsor reps (now CUSO instead of TWA) - CUSO standing for Credit Union Service Organization (Community America Credit Union) and three outside members from the investment community. The fiduciaries for The Directed Account Plan are:

Captain Marty Zygmund - Pilot Member -Chairman
Captain Vincent Lombardi - Pilot Member
Mr. Dennis Pierce - President, Community America Credit Union
Mr. Jeff Kline - President, CUSO One LLC
Mr. Britt Harris - President, Verizon Investment Management
Mr. Don Phillips - Managing Director - Morningstar
Ms. Ruth Hughes-Guden - Executive Director, Morgan Stanley
Captain J. A. Montanaro - Executive Director, DAP

The responsibility of the board includes all areas of administration, operation, and investments. The "Guiding Principles" have remained the same since the inception of The Directed Account Plan (DAP) in 1993.

DAP Guiding Principles

- *Provide a diverse array of investment offerings sufficient to satisfy the requirements of the Department of Labor 404(c) Regulations*
- *Provide investment offerings that are consistent with their stated purpose*
- *Utilize appropriate benchmarks and peer groups of similar style for monitoring overall performance*
- *Strive to employ those investment professionals and organizations that satisfy stringent and prudent professionalism requirements suitable to the investment strategy selected*
- *Monitor key operational aspects of the investment management firms selected such as organizational resources, cost structure, regulatory compliance, independent reviews, etc.*
- *Provide communication to participants that they control their own investments, permit investment changes at least quarterly, and provide effective educational materials allowing participants to make informed decisions*

★ Visit **www.4twadap.com** for detailed 2003 performance ★
and manager detail. Visit often for updates!

Note: The enclosed DAP annual statement's Fidelity balance is as of 12/29/2003.

Reviewing The DAP Investment Options

THE MODEL PORTFOLIOS - The Model Portfolios have been created for the participant who does not want to determine his or her own account asset allocation. The DAP Investment Board has provided an appropriate asset allocation of the DAP investment options based on varying degrees of risk.

The Conservative Model

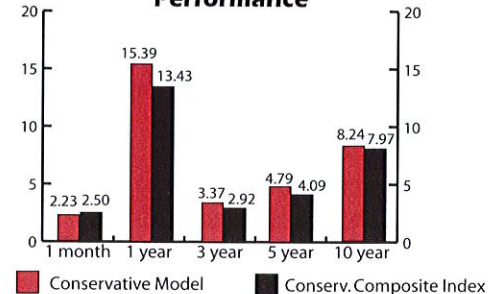
Investment Objective

This Model is designed for the retiree or participant who desires to limit volatility and risk of principal. The objective of this portfolio is income and capital preservation. The majority of the portfolio is invested in the Stable Value Fund. As an inflation hedge, a lesser portion of the portfolio is invested in the Value Stock and Equity Index Funds.

Growth of \$10,000



Performance



The Moderate Model

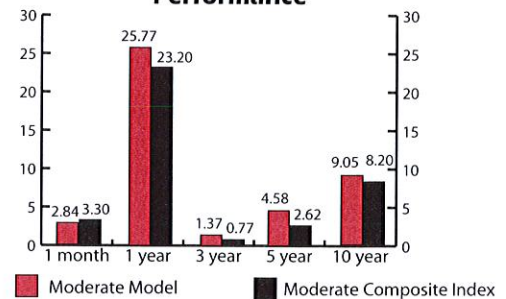
Investment Objective

This Model is designed to provide a balanced long-term asset allocation suitable for a majority of participants. The objective of this portfolio is capital growth and income. A significant portion of the assets is invested in the Stable Value Fund. The majority of this portfolio is diversified among the various equity funds.

Growth of \$10,000



Performance



The Aggressive Model

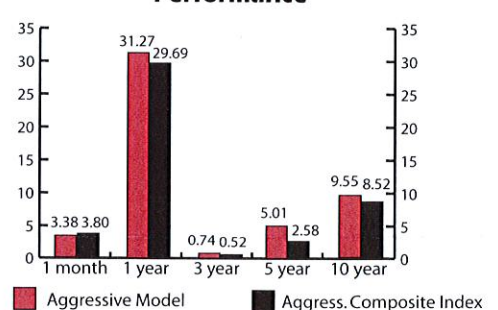
Investment Objective

This Model is suitable for younger participants and those who are willing to accept more risk and higher volatility in their investments. The objective of this portfolio is capital accumulation. A substantial majority of its assets is allocated to equities. The Aggressive Model takes above-average risk in an attempt to achieve its goal of above-average returns.

Growth of \$10,000



Performance



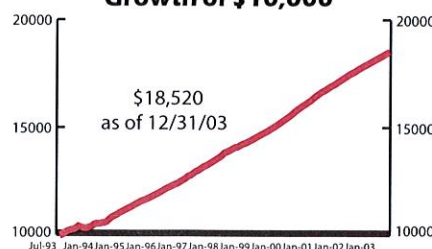
THE INVESTMENT OPTIONS - The DAP Investment Board applies their investment expertise and careful analysis to select a diversified group of managers that fit the objective for each of the following investment options.

Stable Value Fund

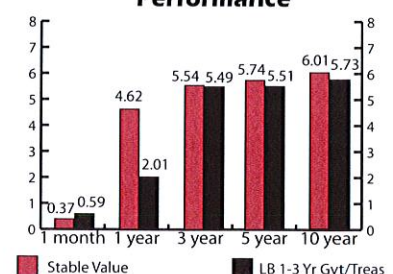
Investment Objective

This option is designed to provide investors with a return comparable to that of high quality bonds with less volatility. It invests in a combination of traditional investment contracts, security-backed investment contracts, actively managed bonds, and cash. The benchmark is the Lehman Brothers 1-3 Year Govt./Treas. Index.

Growth of \$10,000



Performance



Value Stock Fund

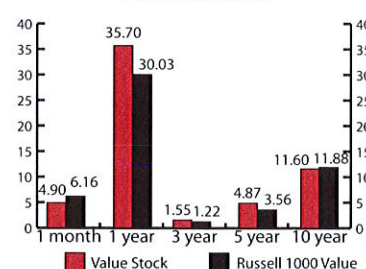
Investment Objective

This option may include a range of value investment managers. Value managers look for large or mid-cap stocks that are undervalued in the marketplace in relation to factors such as the company's assets, sales, earnings, book value, growth potential, cash flow, or in relation to securities of other companies in the same industry. The benchmark is the Russell 1000 Value Index.

Growth of \$10,000



Performance



Equity Index Fund

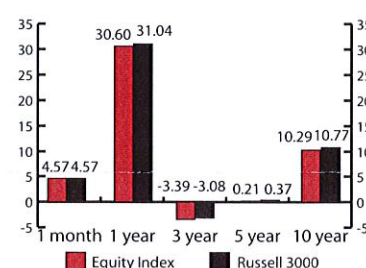
Investment Objective

This option is invested in a portfolio of equity securities. The investment objective is to closely approximate the capitalization weighted total rate of return of publicly traded securities represented by the 3000 largest companies. The benchmark for this option is the Russell 3000 Index.

Growth of 10,000



Performance



Growth Stock Fund

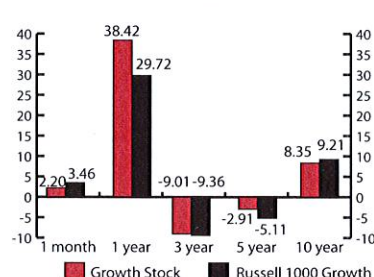
Investment Objective

This option contains funds whose managers invest in stocks from companies with higher historical or expected growth rates in sales or earnings. The primary objective is capital appreciation. The benchmark for this option is the Russell 1000 Growth.

Growth of \$10,000



Performance



International Stock Fund

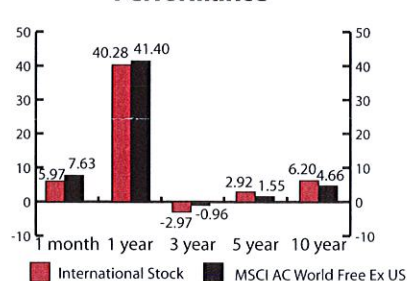
Investment Objective

This option contains funds whose managers invest in securities across world markets. The primary objective is long-term growth of capital through a diversified portfolio of world market securities. Investment is in common stocks of foreign and some US companies. The benchmark for this Option is the MSCI All Country World Free Ex US Index.

Growth of \$10,000



Performance



Diversified Small Co. Stock Fund

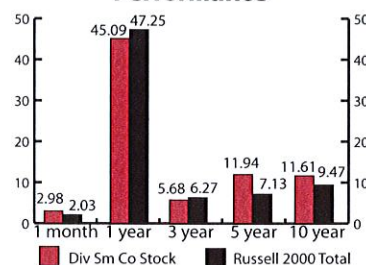
Investment Objective

This option contains portfolios that typically include growth and value stocks of small to medium companies. The primary objective is capital appreciation through investment in equity securities that have significantly better-than-average prospects for appreciation. Funds in this category tend to be more volatile than other equity investments. The benchmark for this option is the Russell 2000 Total Index.

Growth of \$10,000



Performance



Performance

The Directed Account Plan 2003 Year-End Review

January 2004

Fund Performance - Year Ended December 31, 2003

Fund & Portfolios	2003	3 yr. annlzd.	5 yr. annlzd.	Inception* annlzd.
Stable Value Fund	4.62%	5.54%	5.74%	6.36%
Lehman Brothers 1-3 yr. Govt./Treas.	2.01%	5.49%	5.51%	
Value Stock Fund	35.70	1.55	4.87	12.26
Russell 1000 Value Index	30.03	1.22	3.56	
Equity Index Fund	30.60	-3.39	0.21	10.89
Russell 3000 Index	31.04	-3.08	0.37	
Growth Stock Fund	38.42	-9.01	-2.91	8.96
Russell 1000 Growth Index	29.76	-9.36	-5.11	
International Stock Fund	40.28	-2.97	2.92	8.35
MSCI All Country World Free Ex US	41.40	-0.96	1.55	
Div. Small Co. Stock Fund	45.09	5.68	11.94	12.57
Russell 2000 Index	47.25	6.27	7.13	
Conservative Portfolio	15.39	3.37	4.79	8.65
Conservative Composite Index	13.43	2.92	4.09	
Moderate Portfolio	25.77	1.37	4.58	9.77
Moderate Composite Index	23.20	0.77	2.62	
Aggressive Portfolio	31.27	0.74	5.01	10.39
Aggressive Composite Index	29.69	0.52	2.58	

* July 1, 1993 through Dec. 31, 2003 annualized performance (10 and one-half years)

Fidelity Receives the MFEA Star Award

The Fidelity e-Learning workshops were recognized for outstanding shareholder communications, education and support with the Mutual Fund Education Alliance (MFEA) Star Award. Participants are encouraged to visit the Fidelity NetBenefits Planning Center at <http://planning.netbenefits.com/> to reach helpful areas such as Fidelity e-Learning and Portfolio Planner. Access to this site requires entering your social security number and Fidelity PIN number.

More Information and Interacting with the Plan

To get daily NAVs, account balance information, or to make transfers, you may call the Benefits Express telephone voice response system, available 24 hours a day. Customer Service Representatives are available 8 am to 5 pm, CST Monday through Friday. Call 1-877-4TWADAP (1-877-489-2327) or 1-847-883-0471 (not toll-free) from a rotary telephone or outside the U.S. Use Social Security number and PIN to access your account. You may contact Fidelity at 1-800-881-4015, Monday through Friday 7:30 am to 7:00 pm, CST.

Informational Web Site: www.4twadap.com

Interactive Web Site:
www.resources.hewitt.com/4twadap

Other Information:
The Directed Account Plan
3221 McKelvey Road, Suite 105
Bridgeton, MO 63044-2551
314-739-7373

Fund Component Weighting

These tables represent component weighting for individual investment funds as of December 31, 2003.

	Weight- ing	Net Value of Funds (\$MM)
Stable Value Fund		\$323.2
Cash/BGI Money Market	15%	
PRIMCO GIC	45%	
Wellington Core Bond	40%	
Value Stock Fund		67.2
BGI Value Index	20%	
Federated Stock Trust	20%	
Legg Mason Spec. Inv. Trust	10%	
Morgan Value Strategy	20%	
Neuberger/Berman Focus	10%	
Neuberger/Berman Regency	10%	
T. Rowe Price Value	10%	
Equity Index Fund		41.9
BGI US Equity Index	100%	
Growth Stock Fund		56.8
BGI Growth Index	20%	
Wellington Mid Cap Opport.	20%	
Turner Mid Cap Growth	20%	
TCW Galileo Select Eq. I	20%	
Marsico Focus	20%	
International Stock Fund		25.7
Am Century Instl. Intl. Disc	28%	
Am Century Instl. Intl. Growth	23%	
Templeton Instl. Foreign Equity	25%	
First Eagle Overseas	12%	
Longleaf Partners Intl.	12%	
Diversified Small Co. Stock Fund		79.3
BGI Small Co. Index	20%	
Dimensional US Micro Cap Port.	12%	
Royce Opportunity	12%	
MFS Instl. Emerging Equities	12%	
Janus Small Cap Value Instl.	12%	
State Street Aurora S	12%	
Franklin Small Cap Gr. II	20%	
Conservative Model		47.9
Moderate Model		333.6
Aggressive Portfolio		27.5
Fidelity Funds Window		77.5
Total		\$1,080.6

The intent of this communication is to provide useful information, not investment advice. Each participant in The Directed Account Plan is ultimately responsible to make his or her own investment decisions.