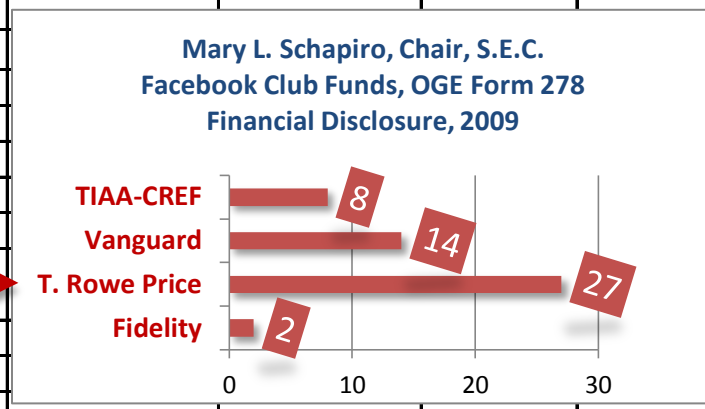


Mary L. Schapiro, Chairman, Securities & Exchange Commission
 Financial Disclosure, 2009

No. of Fund Entries: 98
 Value/Income: ≤ \$45 million

Alpha No.	Income and Value	Unnumbered	Facebook Club Basket Fund	Undisclosed	J - \$0-\$15,000	K - \$15,001-\$50,000	L - \$50,001-\$100,000	M - \$100,001-\$250,000	N - \$250,001-\$500,000	O - \$500,001-\$1,000,000	P1 - \$1,000,001-\$5,000,000	P2 - \$5,000,000-\$25,000,000	P3 - \$25,000,001-\$50,000,000	P4 - \$50,000,000+
1	Alliance Bernsetein Int Growth (ABICX)					\$ 50,000								\$ 50,000
2	American Funds Growth (S)				\$ 15,000									\$ 15,000
3	American Growth Fund (RGAFX)				\$ 15,000									\$ 15,000
4	Bank of America CD (J)							\$ 250,000						\$ 250,000
5	Bank of America Checking (S)				\$ 15,000									\$ 15,000
6	Chevy Chase Checking (J)				\$ 15,000									\$ 15,000
7	Citibank CD (J)							\$ 250,000						\$ 250,000
8	Citibank Checking (J)				\$ 15,000									\$ 15,000
9	Duke Energy -- deferred comp -- stock								\$ 500,000					\$ 500,000
10	Duke Energy Corporation stock options						\$ 100,000							\$ 100,000
11	Duke Energy deferred comp -- cash									\$ 1,000,000				\$ 1,000,000
12	Duke Energy Shares								\$ 500,000					\$ 500,000
13	Fidelity Disciplined Equity (FDEQX) (J)	1				\$ 50,000								\$ 50,000
14	Fidelity Municipal MM (FTEXX)	1						\$ 250,000						\$ 250,000
15	FINRA -- 3 months COBRA benefits				\$ 15,000									\$ 15,000
16	FINRA 2008 Incentive Compensation									\$ 5,000,000				\$ 5,000,000
17	FINRA 457b				\$ 2,500									\$ 2,500
18	FINRA Defined Benefit Plans										\$ 25,000,000			\$ 25,000,000
19	FINRA Salary and Incentive Comp									\$ 2,750,000				\$ 2,750,000
20	FINRA Savings Plus (defined contrib)				\$ 15,000									\$ 15,000
21	General Electric Corp stock				\$ 15,000									\$ 15,000
22	Kraft Food shares								\$ 1,000,000					\$ 1,000,000
23	Kraft Food stock grants (vest 5/09)							\$ 250,000						\$ 250,000
24	Kraft Food Stock Options (vested, but underwater)							\$ 137,329						\$ 137,329
25	Kraft Foods deferred comp -- cash							\$ 250,000						\$ 250,000
26	Kraft Foods Director Comp							\$ 184,600						\$ 184,600
27	Kraft Foods Payout of prior deferred comp									\$ 675,033				\$ 675,033
28	M&T (J)							\$ 250,000						\$ 250,000
29	M&T CD (S)				\$ 15,000									\$ 15,000
30	M&T Checking Acct				\$ 15,000									\$ 15,000
31	NY State 529 Age Based Cons Growth						\$ 100,000							\$ 100,000
32	NY State 529 Age Based Cons Growth						\$ 100,000							\$ 100,000
33	NY State 529 Age Based Cons Growth (S)						\$ 100,000							\$ 100,000
34	NY State 529 Age Based Cons Growth (S)						\$ 100,000							\$ 100,000
35	NY State 529 Interest Accumulation (S)					\$ 50,000								\$ 50,000
36	NY State 529 Interest Accumulation (S)					\$ 50,000								\$ 50,000
37	Palm Beach County health facility bond				\$ 1,000									\$ 1,000
38	PIMCO Total Return (S)					\$ 50,000								\$ 50,000
39	PNC CD (J)							\$ 250,000						\$ 250,000
40	PNC Checking Account (J)				\$ 15,000									\$ 15,000
41	Real Estate, Warwick, MA residential (S)								\$ 500,000					\$ 500,000
42	Real Estate, Wilton, CT - residential (J)								\$ 500,000					\$ 500,000
43	Spectra Energy Corp Shares					\$ 50,000								\$ 50,000
44	Spectra Energy Corp Stock				\$ 1,000									\$ 1,000
45	Starbucks Corp stock				\$ 15,000									\$ 15,000
46	T Rowe Price Equity Income (PRFDX)	1					\$ 100,000							\$ 100,000
47	T Rowe Price Equity Income (PRFDX) (IRA)	1				\$ 50,000								\$ 50,000
48	T Rowe Price Equity Income (PRFDX) (J)	1					\$ 250,000							\$ 250,000

e.g., T.RowePrice bought 5.2% of Facebook stock after S.E.C. exemption (Source: S-1)



Ethics Rule on Conflicts of Interest:
 "Avoid impropriety and the appearance of impropriety."

Mary L. Schapiro, Chairman, Securities & Exchange Commission
 Financial Disclosure, 2009

No. of Fund Entries: 98
 Value/Income: ≤ \$45 million

Alpha No.	Income and Value	Facebook Club Basket Fund	Undisclosed	J - \$0-\$15,000	K - \$15,001-\$50,000	L - \$50,001-\$100,000	M - \$100,001-\$250,000	N - \$250,001-\$500,000	O - \$500,001-\$1,000,000	P1 - \$1,000,001-\$5,000,000	P2 - \$5,000,000-\$25,000,000	P3 - \$25,000,001-\$50,000,000	P4 - \$50,000,000+
49	T Rowe Price Equity Income (PRFDX) (S)	1			\$ 50,000								\$ 50,000
50	T Rowe Price Equity Income (PRFDX) (S)	1		\$ 15,000									\$ 15,000
51	T Rowe Price Equity Income, Urban Inst 403b	1		\$ 1,000									\$ 1,000
52	T Rowe Price Growth Stock (PRGFX)	1					\$ 250,000						\$ 250,000
53	T Rowe Price Growth Stock (PRGFX) (J)	1					\$ 250,000						\$ 250,000
54	T Rowe Price Growth Stock (PRGFX) (S)	1				\$ 100,000							\$ 100,000
55	T Rowe Price Growth Stocks, Urban Inst 403b	1		\$ 200									\$ 200
56	T Rowe Price New Income Fund (PRCIX) (IRA)	1					\$ 250,000						\$ 250,000
57	T Rowe Price New Income, Urban Inst 403b	1		\$ 1,000									\$ 1,000
58	T Rowe Price Prime Reserve (PRRXX) (IRA)	1			\$ 50,000								\$ 50,000
59	T Rowe Price Retirement 2020 IRA (S) (TRRBX)	1		\$ 15,000									\$ 15,000
60	T Rowe Price Short Term Bond Fund (PRWBX)	1	1										
61	T Rowe Price Spectrum In (PSILX)	1			\$ 50,000								\$ 50,000
62	T Rowe Price Spectrum In (PSILX) (J)	1	1										
63	T Rowe Price Spectrum Int (PSILX) (IRA)	1	1										
64	T Rowe Price Spectrum Int (PSILX) (S)	1		\$ 15,000									\$ 15,000
65	T Rowe Price Spectrum, Urban Inst 403b	1		\$ 200									\$ 200
66	T Rowe Price Stock (PRGFX) (IRA)	1				\$ 100,000							\$ 100,000
67	T Rowe Price Summit FDS Cash (TSCXX)	1					\$ 250,000						\$ 250,000
68	T Rowe Price Summit Muni In Fund (PRSM)	1						\$ 500,000					\$ 500,000
69	T Rowe Price Summit Muni In Fund (PRSM)	1		\$ 15,000									\$ 15,000
70	T Rowe Price Summit Muni Inter (PRSMX) (S)	1					\$ 250,000						\$ 250,000
71	T Rowe Price Tax Exempt Money (PTEXX) (S)	1			\$ 50,000								\$ 50,000
72	T Rowe Price UGM Equity Income (PRFD)	1		\$ 15,000									\$ 15,000
73	The Urban Institute (Salary)		1										
74	TIAA-CREF CREF Bond Market (S)	1				\$ 100,000							\$ 100,000
75	TIAA-CREF CREF Stock (S)	1					\$ 250,000						\$ 250,000
76	TIAA-CREF Global Equities (S)	1		\$ 15,000									\$ 15,000
77	TIAA-CREF Inflation-Linked Bond (S)	1		\$ 15,000									\$ 15,000
78	TIAA-CREF Life Cycle 2015 (S)	1		\$ 15,000									\$ 15,000
79	TIAA-CREF Money Market (S)	1			\$ 50,000								\$ 50,000
80	TIAA-CREF TIAA Real Estate (S)	1		\$ 15,000									\$ 15,000
81	TIAA-CREF TIAA Traditional (S)	1		\$ 15,000									\$ 15,000
82	Vanguard 500 Index (S)	1					\$ 250,000						\$ 250,000
83	Vanguard 500 Index (VFINX)	1				\$ 100,000							\$ 100,000
84	Vanguard Extended Market (VEXMX) (S)	1		\$ 15,000									\$ 15,000
85	Vanguard Fed MM (VNFXX)	1	1										
86	Vanguard Inflation protected Secs (S)	1		\$ 15,000									\$ 15,000
87	Vanguard Int Value (VTRIX)	1				\$ 100,000							\$ 100,000
88	Vanguard Life Strat (VSCGX)	1				\$ 100,000							\$ 100,000
89	Vanguard Life Strategy (VSMGX)	1					\$ 250,000						\$ 250,000
90	Vanguard Retirement Savings	1	1										
91	Vanguard Star (IRA) (S)	1				\$ 100,000							\$ 100,000
92	Vanguard Star Fund (VGSTX)	1				\$ 100,000							\$ 100,000
93	Vanguard Target Ret 2015 (VTXVX)	1	1										
94	Vanguard Total Bond (VBMFX)	1	1										
95	Vanguard Windor (VWNFX)	1	1										
96	Wachovia Checking Account (J)						\$ 250,000						\$ 250,000
97	Wachovia Money Market Acct (J)					\$ 100,000							\$ 100,000

e.g., T.RowePrice bought 5.2% of Facebook stock after S.E.C. exemption (Source: S-1)

Mary L. Schapiro, Chairman, Securities & Exchange Commission
 Financial Disclosure, 2009

No. of Fund Entries: 98
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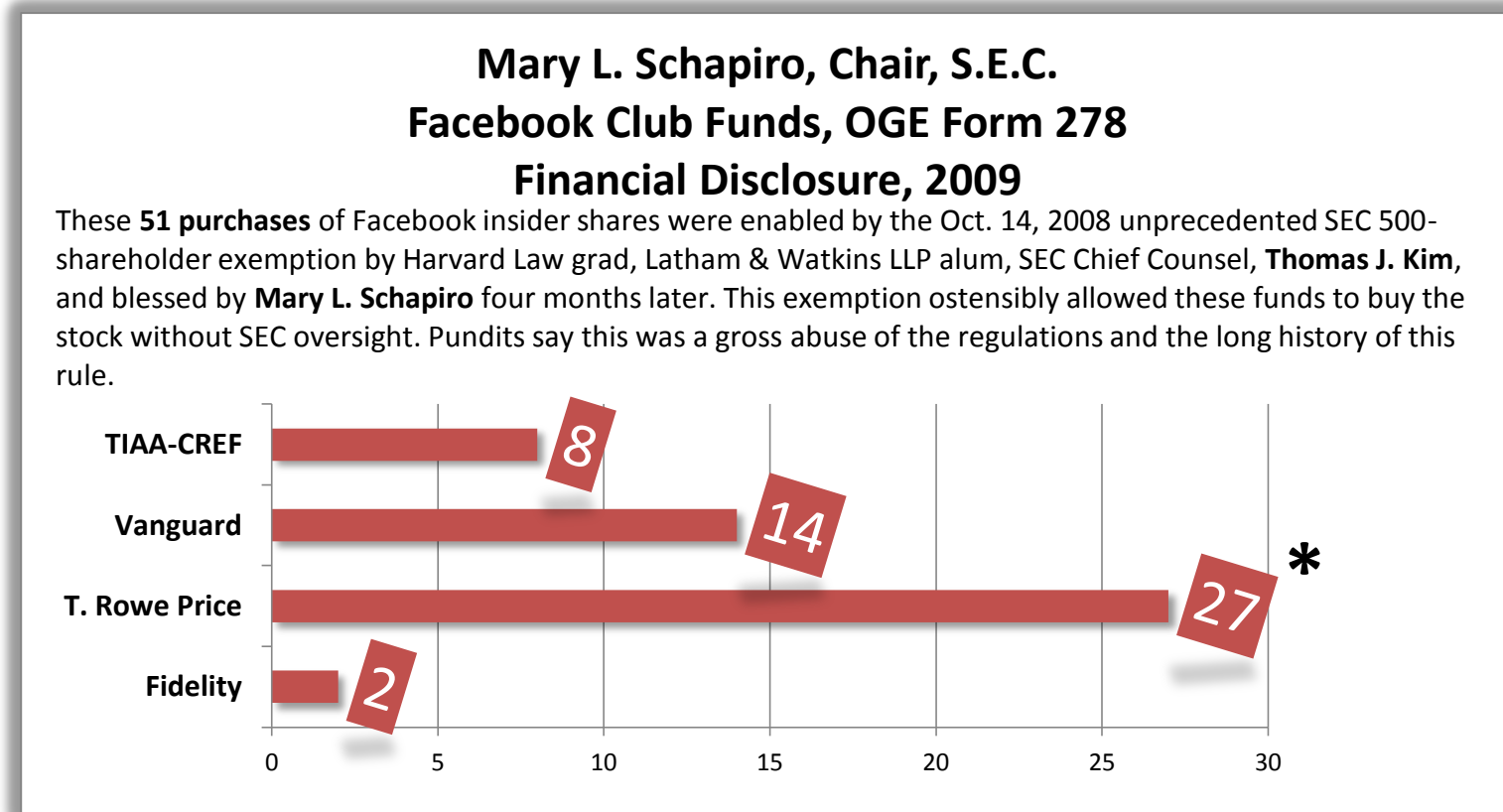
Alpha No.	Unnumbered	Income and Value	J	K	L	M	N	O	P1	P2	P3	P4	
98	Walt Disney Corp stock (J)		\$ 15,000										\$ 15,000
Cumulative			\$ 381,900	\$ 600,000	\$ 1,500,000	\$ 4,571,929	\$ 3,500,000	\$ 1,675,033	\$ 7,750,000	\$ 25,000,000			\$ 44,978,862

e.g., T.RowePrice bought 5.2% of Facebook stock after S.E.C. exemption (Source: S-1)

Summary of Facebook Club Basket Funds		Amt. Invested (up to)	
Fidelity	2	=	\$ 300,000
T. Rowe Price	27	=	\$ 2,627,400 three (3) not disclosed >>>
Vanguard	14	=	\$ 1,030,000 five (5) not disclosed >>>
TIAA-CREF	8	=	\$ 475,000
51		=	\$ 4,432,400

Percentage of Facebook Club Basket Holdings = 52% 10% of total holdings

- Ms. Shapiro failed to disclose the value of the following funds:**
- 1 T Rowe Price Short Term Bond Fund (PRWBX)
 - 2 T Rowe Price Spectrum In (PSILX) (J)
 - 3 T Rowe Price Spectrum Int (PSILX) (IRA)
 - 4 The Urban Institute (Salary)
 - 5 Vanguard Fed MM (VNFXX)
 - 6 Vanguard Retirement Savings
 - 7 Vanguard Target Ret 2015 (VTXVX)
 - 8 Vanguard Total Bond (VBMFX)
 - 9 Vanguard Windor (VWNFX)



*** T. Rowe Price Associates, Inc. (20). Facebook, S-1 Registration,**
 "Shares Beneficially Owned Prior to this Offering," p. 129, fn. 20

(2) Consists of (i) 6,033,630 shares of Class A common stock held of record by 81 funds and accounts advised or sub-advised by T. Rowe Price Associates, Inc.; and (ii) 12,158,743 shares of Class B common stock held of record by 77 funds and accounts advised or sub-advised by T. Rowe Price Associates, Inc. T. Rowe Price Associates, Inc. serves as investment adviser with power to direct investments and/or sole power to vote the securities owned by these funds and accounts. T. Rowe Price Associates, Inc. may be deemed to be the beneficial owner of all the shares listed. T. Rowe Price Associates, Inc. is the wholly owned subsidiary of T. Rowe Price Group, Inc., which is a publicly traded financial services holding company. The address for T. Rowe Price Associates, Inc. is 100 East Pratt Street, Baltimore, MD 21202.

<http://www.sec.gov/Archives/edgar/data/1326801/000119312512034517/d287954ds1.htm>

Funds that do not qualify under the "safe harbor" mutual fund exemption from disclosure rule include:

- (1) most IRAs;
- (2) funds that issue regular reports where the judge knows or should know the stocks in his portfolio;
- (3) funds with notoriously public activity (e.g., [T. Rowe Price](#) and [Fidelity](#) pre-IPO Facebook investing);
- (4) undisclosed purchases of "dark" instruments which conceal activity subject to transparency laws;
- (5) law firm 401(k) retirement accounts;
- (6) funds where stocks are held in the judge's (or spouse) name — "even one share"; and
- (7) funds where there is an appearance of impropriety.

Sources:

Guide to Judiciary Policy, Ethics & Judicial Conduct, Vol. 2B, Ch. 2, see esp. Section 106, U.S. Courts, United States Department of Justice

<<http://www.uscourts.gov/uscourts/RulesAndPolicies/conduct/Vol02B-Ch02.pdf>>;

See also

<<https://docs.google.com/file/d/0B2SfG2nEsMfqSVQ4dFUyWGNHS0E/edit>> and <<http://www.scribd.com/doc/199638078/Guide-to-Judiciary-Policy-Vol-02-Ethics-and-Judicial-Conduct-Part-B-Ethics-Advisory-Opinions-Ch-02-Published-Advisory-Opinions-accessed-Jan>>.

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THE WALL STREET JOURNAL.

TECHNOLOGY

T. Rowe Price Invests in Facebook

By MARY PILON

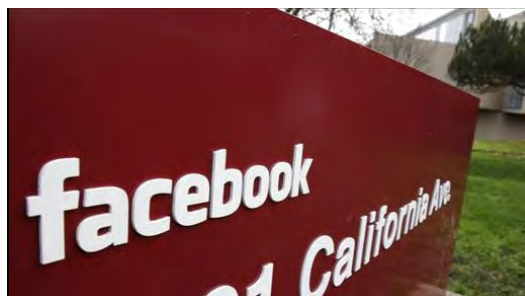
Updated April 16, 2011 12:01 a.m. ET

Mutual-fund company T. Rowe Price Group Inc. has invested in Facebook Inc., according to recently released filings, underscoring traditional investment vehicles' growing interest in hot technology companies.

T. Rowe invested a total of \$190.5 million in the social-networking giant, paying \$25 a share for stock it distributed across nearly 20 funds, according to the filings. It isn't immediately clear what value that puts on Facebook.

The Baltimore-based mutual-fund company also disclosed an investment of \$71.8 million in Zynga Inc. and a total stake of about \$35.4 million in Angie's List.

T. Rowe has been more aggressive than most of its mutual-fund peers in building exposure to young technology companies. The investments carry extra risk, because the shares aren't yet publicly traded and can be illiquid. Meanwhile, a rush of interest in the companies has pumped up the companies' valuations, even as they disclose little or no financial data.



T. Rowe Price has invested millions in Facebook, underscoring traditional investment vehicles' growing interest in hot technology companies. Mary Pilon joins digits to discuss.

The investments, however, are a drop in the bucket for T. Rowe, which is trying to manage that risk by keeping the investments to a small percentage of each fund's holdings. None of the funds has even a full percent of its holdings tied up in Facebook, for example. T. Rowe had \$482 billion in assets under management as of the end of 2010.

Investors have been scrambling for a stake in Facebook, which is just seven years old and doesn't publicly report its financial results. In January, Facebook was valued at \$50 billion in a deal that raised \$1.5 billion from investors such as [Goldman Sachs](#) Group Inc. and Russian investment firm

Digital Sky Technologies, as well as some of Goldman's non-U.S. clients. T. Rowe has long taken aim at new companies. Its New Horizons Fund, which doesn't currently have a stake in Facebook but has invested in companies like Twitter Inc. and Angie's List, is the third-oldest fund at the firm. Born in 1960, the fund is known for making longer-term investments in companies at their early stages, including early investments in Starbucks Corp. and Wal-Mart Stores Inc. Other T. Rowe funds were early investors in Google Inc. The fund has had a return of 34.67% in the 2010 calendar year, according to Morningstar Inc.

Recent trades on markets that allow investors to buy and sell shares in private companies have put a market value of around \$75 billion on the company.

The Facebook investment complements other tech holdings at the firm, including a 2009 stake in Twitter and an investment in Groupon Inc. made late last year. In 2007, T. Rowe made an initial investment in Ning and in 2010 invested in YouKu.com.

Among the T. Rowe funds now invested in Facebook are the Science & Technology Fund, New America Growth Fund, Media & Telecommunications Fund, as well as broader funds including the Balanced Fund, Global Stock Fund and the Blue Chip Growth Fund. T. Rowe's funds now have a total investment of \$86.8 million in Groupon, \$66.6 million in Twitter and \$114.7 million in YouKu.com, according to the filings.

T. Rowe declined to comment on how the Facebook shares were purchased. A Facebook spokesman declined to comment.

Geoffrey Fowler contributed to this article.

Corrections & Amplifications

An earlier version of this online article incorrectly said T. Rowe Price invested \$55.4 million in Facebook and \$22 million in Angie's List. The firm invested \$190.5 million and \$35.4 million, respectively, in the two companies.

Write to Mary Pilon at mary.pilon@wsj.com

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THE WALL STREET JOURNAL

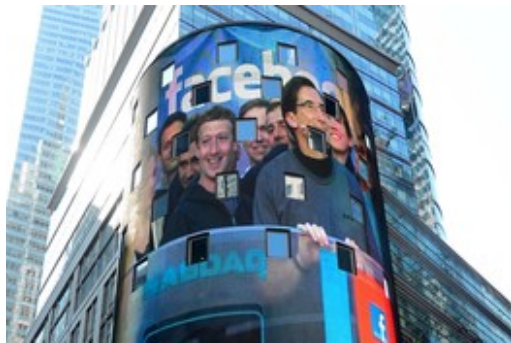
WSJ.com

August 24, 2012, 2:18 PM ET

Who Else Has a Big Bet on Facebook

By Telis Demos

We [reported this morning about the concentration](#) of Facebook stock in the portfolio of one group of investors, several mutual funds operated by Morgan Stanley Asset Management. But that is not where the concentration of Facebook stock ends.



AFP/Getty Images

According to fresh data from Ipreo, which has tallied up the public filings by all investors, a relatively large chunk of Facebook stock just three months after its \$16 billion IPO in May is held by the company's 10 largest institutional investors (that excludes insiders, like CEO Mark Zuckerberg, and the early VC investors, like Accel Partners).

The top 10 "accounts," in banker-speak, represent about 50% of Facebook's institutional ownership, according to Ipreo, the capital markets data firm. That tops the 42% concentration for the top 10 institutions for all second quarter tech IPOs three months after they went public. Across more comparable \$1 billion-plus IPOs since 2010, the concentration is even lighter: The top 10 institutional accounts held 32% of those companies' shares.

This data, keep in mind, does not tell us who bought the IPO. That's a closely guarded secret held by the lead underwriters. These figures are based on public disclosures as of June 30. They are at best a proxy for how the IPO was actually distributed.

So who are the biggest betters — by total number of shares, not necessarily by weighting within the fund — on Facebook? Morgan Stanley Asset Management is only the fifth largest holder by that measure, according to Ipreo. Above them are Goldman Sachs Asset Management, Baillie Gifford & Company, Fidelity Investments, and T. Rowe Price Group Inc. Rounding out the top 10 are BlackRock Inc., Sands Capital Management LLC, Jennison Associates LLC, The Vanguard Group Inc. and Capital Research Global Advisors Inc.

Some of those investors were big pre-IPO holders. Goldman Sachs famously marketed a fund with pre-IPO Facebook stock to international investors, which accounts for a big chunk of its holdings. T. Rowe Price and Fidelity also bought in before the IPO. The point here is that they all may still be sitting on Facebook stock gains, depending on when exactly they got into the stock.

Others, however, appear to have gotten in primarily via the IPO, or after it began trading. That includes Baillie Gifford, an Edinburgh-based fund management giant that manages assets of £76.0 billion (\$120 billion). They are a sub-advisor to some large fund management families, like Vanguard, but also manage money on behalf of giant pension funds such as the California Public Employees' Retirement System (CALPERS), the New York City Police Pension Fund and the Korea National Pension Service, according to their website. The firm did not return requests for an interview.

Some of the big investors are also there just because they have to be. BlackRock and Vanguard operate many index funds that may have bought Facebook stock solely because it likely will be a member someday of indexes such as the S&P 500 and Nasdaq 100, and is already in indexes such as the Russell 1000.

What speaks loudly are the absences of firms that are typically very big holders of recently IPO'd companies. Citadel Advisors, which bought 17 other second-quarter IPOs according to Ipreo, owned just 167,164 Facebook shares at the end of June. Wellington Management Company LLP and Lord Abbett & Company LLC, which bought 11 second quarter IPOs, both held fewer than 1m shares. For context, Baillie Gifford reported holding 19 million shares.

RANK	NAME	TOTAL AUM	FB SHARES AS OF JUNE 30
1	Goldman Sachs Asset Management, L.P. (U.S.)	82,329.1	36,634,486.0
2	Baillie Gifford & Company	60,809.1	19,380,440.0
3	Fidelity Management & Research Company	544,656.5	18,774,915.0
4	T. Rowe Price Associates, Inc.	338,744.6	18,663,997.0
5	Morgan Stanley Investment Management, Inc. (U.S.)	54,113.2	16,362,788.0
6	BlackRock Fund Advisors	768,143.8	11,690,656.0
7	Sands Capital Management, LLC	22,157.4	11,649,292.0
8	Jennison Associates, LLC	80,316.4	9,691,825.0
9	The Vanguard Group, Inc.	908,526.5	9,582,480.0
10	Capital Research Global Investors (U.S.)	366,059.2	8,273,200.0

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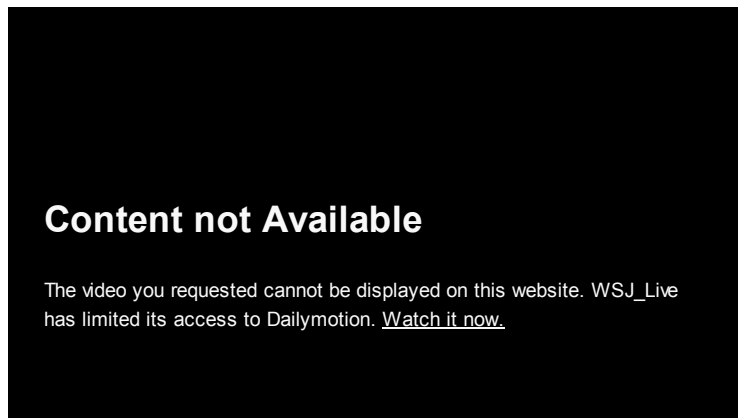
Source: [The Wall Street Journal Online](#)

MARKETS

Morgan Stanley Funds in Big Facebook Bet

By Aaron Lucchetti and Telis Demos
Updated Aug. 24, 2012 11:57 a.m. ET

U.S. mutual funds run by [Morgan Stanley](#), [MS -0.12%](#) the lead underwriter in Facebook Inc. FB \$16 billion initial public offering, have disproportionately high investments in the social-media company, leaving fund shareholders exposed to the stock's big drop since its May 18 IPO.



New data show that eight of the top nine U.S. mutual funds with Facebook shares as a percentage of total assets are run by Morgan Stanley's asset-management arm, according to fund tracker Morningstar Inc.

Morgan Stanley had a crucial role in lining up orders for Facebook as the social-media company prepared to go public. It helped advise Facebook executives to increase the size and price of the IPO, despite warnings the company was making about its profit outlook. The New York securities firm, which declined to comment, took in \$200 million in underwriting fees and trading profits,

according to regulatory filings and people involved in the deal.

The Morgan Stanley funds that have Facebook shares got many of them before the IPO at prices well below the \$38 offering price.

That means that fund shareholders may still have paper gains on their Facebook purchases, depending on when the fund bought their original stake. It also means the funds have been unable to sell any of their pre-IPO holdings.

The company's mutual funds have made large bets on other big-name technology companies in recent years, including bets on [Apple Inc.](#), AAPL +1.48% [Amazon.com Inc.](#) AMZN -1.06% and [LinkedIn Corp.](#) LNKD +0.14% whose values have all surged this year.

The Funds That Own Facebook

Hundreds of mutual funds have stakes in the social media company. See a list and sort by percentage of fund assets devoted to Facebook, and by absolute and relative performance.

Click here for an Excel file containing all four sections of the table below: [GoogleDocs](#) | [XLS file](#)

Q August 24, 2012
The Funds That Own Facebook
Hundreds of mutual funds have stakes in the social media company. Click column headers to sort by percentage of fund assets devoted to Facebook and by absolute relative performance.
<< first < prev 1 2 (#) 3 (#) 4 (#) next > (#) last >> (#)

Fund Name (yui-dt0-href-col 0)	Ticker (yui-dt0-href-col 1)	Total Facebook Weight (yui-dt0-href-col 2)	Total Investment as of portfolio date (yui-dt0-href-col 3)	July 2012 Return (yui-dt0-href-col 4)	July % rank against similar funds (yui-dt0-href-col 5)	Year-to-date Return (yui-dt0-href-col 6)	Year-to-date % rank against like funds (yui-dt0-href-col 7)	One-year return (yui-dt0-href-col 8)	One-year % rank against like funds (yui-dt0-href-col 9)
Morgan Stanley Inst Focus Grow th I	MSAGX	7.77%	\$28,777,414	-2.98%	98%	9.64%	90%	8.33%	99%
Morgan Stanley Focus Grow th B	AMOBX	7.72%	\$1,586,239,713	-3.08%	98%	8.63%	94%	7.06%	99%
Morgan Stanley Inst Opportunity H	MEGHX	7.39%	\$244,919,024	-3.91%	99%	6.71%	98%	10.10%	98%
Morgan Stanley Inst Advantage H	MAPHX	6.71%	\$12,159,351	-1.57%	96%	11.96%	71%	21.88%	77%
Morgan Stanley Institutional Grow th I	MSEQX	6.63%	\$847,917,689	-2.33%	97%	11.34%	78%	12.88%	97%
Transamerica Capital Grow th A	IALAX	6.58%	\$746,167,025	-2.39%	98%	10.35%	85%	11.62%	97%
Morgan Stanley Multi Cap Grow th B	CPOBX	6.42%	\$313,515,817	-2.33%	97%	7.93%	96%	8.32%	99%
Morgan Stanley Inst Global Opportunity I	MGGIX	6.42%	\$15,221,935	-3.96%	98%	4.98%	93%	3.77%	93%
Morgan Stanley Inst Gbl Advantage I	MIGIX	5.19%	\$2,513,921	-0.36%	86%	13.94%	10%	19.13%	9%
Turner Concentrated Gr Investor	TTOPX	5.00%	\$35,255,772	-4.20%	99%	9.28%	92%	14.60%	96%
Morgan Stanley Inst Gbl Discovery I	MLDIX	4.79%	\$5,032,255	-1.53%	93%	11.60%	29%	15.92%	31%
Goldman Sachs Technology Tollkeeper A	GITAX	2.85%	\$358,167,660	-2.66%	92%	17.63%	26%	28.63%	29%
Turner Global Opportunities Instl	TGLBX	2.32%	\$1,420,185	-1.11%	91%	9.89%	52%	16.77%	23%
Chesapeake Core Grow th	CHCGX	2.23%	\$31,550,392	0.20%	66%	16.83%	12%	28.85%	19%
Chesapeake Grow th Instl	CHESX	2.15%	\$10,660,814	-1.39%	70%	15.84%	2%	23.82%	46%
Saratoga Large Capitalization Grow th I	SLCGX	1.73%	\$20,539,302	0.63%	46%	12.43%	65%	26.38%	40%
Lord Abbett Grow th Leaders A	LGLAX	1.67%	\$23,284,142	-0.78%	90%	10.58%	84%	22.02%	76%
Tocqueville Opportunity	TOPPX	1.61%	\$68,606,152	-2.15%	77%	12.18%	25%	25.75%	45%
Goldman Sachs Concentrated Grow th A	GCGAX	1.60%	\$176,037,973	1.77%	7%	17.33%	9%	28.74%	20%
American Independence Large Cap Grow th I	A FLX	1.59%	\$5,723,812	-3.24%	99%	1.67%	99%	10.15%	98%
Eagle Capital Appreciation A	HRCPX	1.58%	\$312,936,069	1.75%	8%	17.64%	7%	27.76%	26%
Loomis Sayles Grow th Y	LSGRX	1.58%	\$137,102,956	1.09%	27%	13.02%	59%	26.08%	42%
Sands Capital Global Grow th Inst	SCMGX	1.55%	\$26,411,222	-0.16%	84%	12.51%	18%	18.99%	10%
Firsthand Technology Opportunities	TEFQX	1.52%	\$83,809,180	2.91%	1%	17.78%	24%	15.43%	93%
Touchstone Sands Capital Select Grow th Z	PTSGX	1.51%	\$2,650,677,414	0.34%	61%	20.80%	3%	34.98%	2%
Touchstone Sands Capital Inst Gr	CISGX	1.50%	\$1,879,329,652	0.36%	60%	21.45%	2%	35.72%	2%
Turner Large Grow th Institutional	TTMEX	1.36%	\$254,252,990	-0.57%	86%	11.79%	73%	21.25%	80%
Columbia Global Extended Alpha A	RTAAX	1.36%	\$18,990,332	1.43%	34%	8.50%	73%	13.66%	59%
Invesco Leisure Investor	FLISX	1.25%	\$362,284,050	-2.50%	83%	18.34%	12%	29.20%	79%
Invesco Technology Sector B	FOBX	1.19%	\$103,441,217	-1.45%	81%	12.59%	67%	28.04%	34%
AllianceBern Global Thematic Gr A	ALTFX	1.17%	\$830,246,855	-3.98%	99%	5.56%	91%	-0.55%	95%
Invesco Technologov	FTCHX	1.17%	\$709,896,602	-1.29%	71%	12.27%	69%	25.97%	44%

Investor	Ticker	Assets	Facebook	Facebook %	Facebook %	Facebook %	Facebook %	Facebook %	Facebook %
Artisan Global Opportunities Inv	ARTRX	1.15%	\$238,682,629	2.30%	12%	22.11%	1%	26.59%	1%
Baron Global Advantage Institutional	BGAIX	1.11%	\$2,313,424	-1.64%	94%	N/A	N/A	N/A	N/A
FL Large-Cap Growth P	N/A	1.08%	\$125,638,896	-0.21%	80%	16.11%	19%	27.24%	31%
Invesco Van Kampen American Franchise A	VAFAX	1.04%	\$5,607,536,462	-0.25%	81%	12.63%	62%	19.20%	89%
Invesco Constellation A	CSTGX	1.04%	\$2,462,252,859	-0.22%	80%	11.61%	75%	17.55%	93%
Invesco Van Kampen Mid Cap Gr A	VGRAX	1.04%	\$1,891,989,133	-1.72%	78%	8.66%	75%	19.77%	74%
Invesco Dynamics Inv	FIDYX	1.02%	\$821,481,822	-1.76%	80%	9.18%	70%	21.21%	68%
T. Rowe Price Global Stock	PRGSX	1.00%	\$513,696,057	0.12%	78%	9.77%	54%	11.82%	68%
JHancock US Global Leaders Gr A	USGLX	0.99%	\$570,665,220	0.38%	59%	16.58%	14%	33.99%	3%
T. Rowe Price Media & Telecommunications	PRMTX	0.97%	\$2,176,042,473	1.34%	75%	20.59%	12%	28.47%	12%
Hodges Pure Contrarian Retl	HDPCX	0.95%	\$6,538,442	-0.27%	28%	19.01%	2%	20.88%	77%
T. Rowe Price Science & Tech	PRSCX	0.93%	\$2,691,539,999	-3.08%	96%	7.42%	93%	15.44%	92%
VALIC Company I Science & Technology	VCSTX	0.93%	\$239,494,861	-0.85%	51%	13.67%	58%	21.83%	64%
Hartford Growth Opportunities B	HGOBX	0.91%	\$1,878,737,839	0.00%	74%	20.86%	3%	25.27%	48%
Oppenheimer Main Street A	MSIGX	0.90%	\$5,199,383,488	2.20%	7%	14.49%	16%	30.19%	6%
Hartford Growth Opportunities HLS IA	HAGOX	0.89%	\$1,068,479,670	0.14%	69%	21.83%	2%	26.91%	35%
MassMutual Premier	MSSAX	0.87%	\$159,288,656	2.21%	7%	14.29%	18%	29.78%	7%

Still, the Morgan Stanley funds' large stakes raise questions about whether the firm's role as lead underwriter influenced decisions.

A large investment bank that simultaneously buys and sells shares in any company "is in this conflicted position," said Frank Partnoy, a law professor at the University of San Diego who worked for Morgan Stanley in the 1990s. "This time it didn't work out."

The funds span the \$1.6 billion Focus Growth fund to the \$2.5 million Institutional Global Advantage fund.

Morgan Stanley's funds don't appear to have violated Securities and Exchange Commission rules limiting investments in offerings underwritten by an affiliate. SEC rules allow bank-affiliated mutual funds to participate in offerings in which the bank's investment bankers are advising the company, as long as the fund managers don't buy more than 25% of the deal and they buy the shares from a different bank.

The concentration of Morgan Stanley's funds stands out when compared with funds operated by other large institutional holders of Facebook stock.

Morgan Stanley Focus Growth Portfolio had 5.7% of its assets in Facebook shares as of July 31, according to Morgan Stanley's website, while Morgan Stanley Institutional Opportunity Portfolio had 5.5% and Morgan Stanley Institutional Growth Portfolio had 4.8%. Others among the eight Morgan Stanley mutual funds range between 3.6% and 4.6%. Those proportions ranged between 5% and 7.8% on June 30, according to the most recent Morningstar data that included other fund families.

"It's surprising that so many Morgan Stanley affiliated funds out of the thousands of mutual funds show up as having

extremely big weights," said Jay Ritter, a professor of finance at the University Florida.

Morgan Stanley isn't the largest institutional holder of Facebook.

Larger holders by dollar value include Fidelity Investments, [T. Rowe Price Group](#) Inc. TROW -0.79% and Goldman Sachs Asset Management, a unit of underwriter [Goldman Sachs Group](#) Inc. GS -0.24% Goldman also owned Facebook shares before its IPO

Goldman's most concentrated mutual fund position in Facebook was the Technology Tollkeeper fund, with Facebook making up 2.85% of its portfolio as of the end of June.

No mutual funds operated by Fidelity or T. Rowe Price, two other large institutional holders, publicly reported holding more than 1% of their portfolios in Facebook through June.

Many of the Morgan Stanley funds are sold to institutions only, and require a \$5 million minimum investment.

Morgan Stanley Multicap Growth Fund—one fund open to retail investors, including Morgan Stanley Smith Barney brokers—had a stake in Facebook as early as November 2010, when Facebook shares were valued at about \$13. They closed Thursday at \$19.44, down 49% since the IPO.

In June, a commentary on Morgan Stanley's fund website noted that Facebook and other technology stocks were "the leading detractor in the portfolio this quarter," attributing the decline in Facebook shares "to post-IPO volatility."

Under SEC rules, mutual fund managers also are bound by fiduciary duties to look out for their investors' interests over their own.

Read More

- [Deal Journal: Who Else Has a Big Bet on Facebook?](#)
- [Nasdaq's Facebook Plan Under Fire](#)

There's no sign that fund managers at Morgan Stanley bought Facebook shares because of the firm's underwriting relationship with Facebook, or to help curry favor with Facebook executives who chose Morgan Stanley for a key underwriting assignment in the spring IPO.

Mr. Ritter cited "psychological factors" as a possible explanation for the large investments, driven by the fact that many of the funds owned a big chunk of Facebook shares before the company sold shares to the public.

"There's a tendency to fall in love with what you've got rather than stepping back," said Mr. Ritter. Many Morgan Stanley funds added to their pre-public stakes during the month of the IPO—a sign, he said, that "they were drinking the Kool-Aid and became true believers."

Morgan Stanley has streamlined its mutual fund business under Gregory Fleming, who runs both the firm's asset management and wealth management units. Morgan Stanley's asset management at the end of June managed \$311 billion and produced \$456 million in revenues.

Morgan Stanley funds with the strongest liking for Facebook are overseen by Dennis Lynch, the firm's head of growth investing. A Morgan Stanley spokesman declined to comment on behalf of Mr. Lynch.

Write to Aaron Lucchetti at aaron.lucchetti@wsj.com and Telis Demos at Telis.Demos@wsj.com

Source: [The Wall Street Journal Online](#)

T. Rowe Price Growth Stock Fund 3-31-2013

PRGFX

“Chinese Facebook”

PRGFX held by:

1. Mary L. Schapiro, Securities & Exchange Commission
2. Ashton B. Carter, Defense

46 Obama Cabinet Members & 8 Federal Judges involved hold one or more T. Rowe Price Funds, and therefore are Facebook IPO beneficiaries via T. Rowe Price Reserve Investment Fund.

Summary of Facebook conflicts of interests.

Standard of Ethics for Employees of the Executive Branch:

“Avoid even the appearance of impropriety.”

No.	Notorious Facebook collaborators in whom Fidelity Contrafund also holds shares and other rights	Conflict	Shares	Value (\$000s)
1	Accenture PLC Class A (d) (a)	Leader patent theft*	4,560,100	\$ 346,430,797
2	Baidu, ADR (b)	Leader patent theft*	1,675,300	146,923,810
3	Facebook (c)	Leader patent theft*	7,653,166	195,767,986
4	JPMorgan Chase & Co. (d)	FB dark pools	2,359,900	112,000,854
5	LinkedIn (e)	Leader patent theft*	1,802,300	317,312,938
6	T. Rowe Price Reserve Investment Fund (f)	FB dark pools	159,533,201	159,533,201
			TOTAL	\$1,277,969,586

* Leader Technologies, Inc. U.S. Patent No. 7,139,761 for social networking.

PRGFX held by:

1. Mary L. Schapiro, Securities & Exchange Commission
2. Ashton B. Carter, Defense

46 Obama Cabinet Members & 8 Federal Judges involved hold one or more T. Rowe Price Funds, and therefore are Facebook IPO beneficiaries via T. Rowe Price Reserve Investment Fund.

Relationship to Facebook (Conflict of Interest):

No.	Entity/Person	Description of the relationship to Facebook principals
a.	Accenture	<p>Appointed to replace CGI Federal as contractor responsible for HealthCare.gov. This appointment appears to be out of one Facebook cartel pocket (Michelle Obama (CGI Federal), Todd Y. Park, Robert Kocher, Ann H. Lamont) and into another cartel participant. The site continues to make intimate use of Facebook and Leader Technologies' s social networking invention, including the false claims that the technology is "open source."</p> <p>"Accenture to Take Over Fixing HealthCare.gov Website" by Stephanie Armour, <i>The Wall Street Journal</i>, Jan. 12, 2014 http://online.wsj.com/news/articles/SB10001424052702303819704579316944287311118.</p>
b.	Baidu	<p>Baidu, sometimes called "the Chinese Facebook," is notoriously controlled by the Chinese Communist Party. Baidu's CEO, Robin Yangong Li, started his job in Jan. 2004—the same month Mark Zuckerberg started Facebook after stealing Leader Technologies' source code via attorney firm Fenwick & West LLP.</p> <p>"CHINESE INVOLVEMENT IN OBAMACARE HIDDEN BY MISSING S.E.C. FRAUD CERTIFICATIONS – DC-based Fund, Sands Capital, withheld filings to conceal Chinese influence over the White House, Patent Office, Judiciary & Facebook" by AFI, Jan. 28, 2014 http://americans4innovation.blogspot.com/2014/01/chinese-involvement-in-obamacare-hidden.html.</p>
c.	Facebook	<p>On July 27, 2010, found guilty of infringing Leader Technologies, Inc. U.S. Patent No. 7,139,761 on 11 of 11 claims. The verdict was split with a ruling of on-sale bar. However, Facebook presented no hard evidence and failed to perform any of the well-settled tests, e.g. <i>Pfaff Electronics and Group One v. Hallmark Cards</i>. The Federal Circuit affirmed the lower court after rejecting the lower court's arguments for on-sale bar and fabricating new evidence on argument for Facebook in the secrecy of chambers, without a hearing. Chief Justice John G. Roberts refused to take Leader Technologies' Petition for Writ of Certiorari.</p> <p>Tellingly, the judges in this case hold this Fidelity Contrafund stock, namely Chief</p>

T. Rowe Price Growth Stock Fund

3-31-2013

PRGFX

PRGFX held by:

1. Mary L. Schapiro, Securities & Exchange Commission
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46 Obama Cabinet Members & 8 Federal Judges involved hold one or more T. Rowe Price Funds, and therefore are Facebook IPO beneficiaries via T. Rowe Price Reserve Investment Fund.

		<p>Justice John G. Roberts, Federal Circuit Judge Kimberly A. Moore and Federal Circuit Judge Evan J. Wallach.</p> <p>It is notoriously known that during the pendency of the <i>Leader v. Facebook</i> trial, President Obama's political organization via Obama for America and Organizing for America exploited over 47 million "likes" on Facebook, an infringed technology, to raise money and influence voters in the 2008 and 2012 elections.</p> <p>Petition for Writ of Certiorari <i>Leader Technologies, Inc., v. Facebook, Inc.</i> No. 12-617, Nov. 16, 2012 <http://www.scribd.com/doc/113545399/Petition-for-Writ-of-Certiorari-Leader-Technologies-Inc-v-Facebook-Inc-No-12-617-U-S-Supreme-Court-Nov-16-212-clickable-citations>.</p> <p>Organizing for Action: Our Founding Members. ORGANIZING for ACTION. Apr. 12, 2013. Accessed by May 25, 2013 <http://www.barackobama.com/founding-members>.</p> <p>Barack Obama. Facebook Fan Page. Accessed May 25, 2013 <https://www.facebook.com/barackobama/>; See also Apr. 16, 2013 capture online <http://www.scribd.com/doc/144490626/Barack-Obama-Facebook-Screen-Capture-Apr-16-2013-11-36am-AM-EDT>.</p> <p>Barack Obama Contributors, 2012 Federal Election Cycle, Cooley Godward Kronish LLP (Facebook attorneys; adviser to Barack Obama on the judicial appointments of Leonard P. Stark and Evan J. Wallach) donors through 12/31/2012 <http://www.fec.gov/disclosurep/national.do>.</p>
d.	JPMorgan Chase	<p>Notoriously known to be directing the investing activities of Morgan Stanley, T. Rowe Price, Goldman Sachs regarding all things Facebook via Chairman Jamie Dimon. Castlight Health and athenahealth Director Ann H. Lamont is married to Edward "Ned" Lamont, grandson of the founder of JPMorgan, Thomas W. Lamont. Castlight Health and athenahealth are embroiled in the Obamacare and HealthCare.gov scandal. U.S. CTO Todd Y. Park is founder of both athenahealth and Castlight Health. Park's brother, David Y. Park, is the current chief operating officer at athenahealth. Todd Y. Park has advised the Obama administration that they are clear to make the claim that HealthCare.gov technology is open source, despite the evident <i>Leader v. Facebook</i> frauds, among others. The Lamont's hold substantial amounts of Goldman Sachs, JPMorgan and Morgan Stanley holdings which benefited remarkably from Facebook transactions.</p> <p>Ann Huntress Lamont (a.k.a. Ann H. Lamont) and Edward M. ("Ned") investments</p>

T. Rowe Price Growth Stock Fund

3-31-2013

PRGFX

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		<p>in Facebook Club Funds, invested by 2006, prepared Nov. 26, 2013 http://www.scribd.com/doc/187452662/Ann-Huntress-Lamont-a-k-a-Ann-H-Lamont-and-Edward-M-Ned-investments-in-Facebook-Club-Funds-invested-by-2006-prepared-Nov-26-2013>; See also https://docs.google.com/file/d/0B2SfG2nEsMfqckwwdGg2Yy10NWs/edit>.</p>
<p>e.</p>	<p>T. Rowe Price</p> <p>T. Rowe Price Reserve Investment Fund</p>	<p>T. Rowe Price was a notorious pre-IPO “dark pools” facilitator of Facebook insider shares.</p> <p>T. Rowe Price Associates, Inc. (20). Facebook, S-1 Registration, "Shares Beneficially Owned Prior to this Offering, " p. 129, fn. 20 http://www.sec.gov/Archives/edgar/data/1326801/000119312512034517/d287954ds1.htm>.</p> <p>(2) Consists of (i) 6,033,630 shares of Class A common stock held of record by 81 funds and accounts advised or sub-advised by T. Rowe Price Associates, Inc.; and (ii) 12,158,743 shares of Class B common stock held of record by 77 funds and accounts advised or sub-advised by T. Rowe Price Associates, Inc. T. Rowe Price Associates, Inc. serves as investment adviser with power to direct investments and/or sole power to vote the securities owned by these funds and accounts. T. Rowe Price Associates, Inc. may be deemed to be the beneficial owner of all the shares listed. T. Rowe Price Associates, Inc. is the wholly owned subsidiary of T. Rowe Price Group, Inc., which is a publicly traded financial services holding company. The address for T. Rowe Price Associates, Inc. is 100 East Pratt Street, Baltimore, MD 21202.</p>

T. Rowe Price Growth Stock Fund

3-31-2013

PRGFX

PRGFX held by:

1. Mary L. Schapiro, Securities & Exchange Commission
2. Ashton B. Carter, Defense

46 Obama Cabinet Members & 8 Federal Judges involved hold one or more T. Rowe Price Funds, and therefore are Facebook IPO beneficiaries via T. Rowe Price Reserve Investment Fund.

Evidence Resources:

1. **Conflicts Analysis:** The most comprehensive archive of judicially recognizable source material and conflicts of interest analysis is accessible from the *Leader v. Facebook* investigative news reporting Google search tool at <http://americans4innovation.blogspot.com>.
2. **PRGFX T. Rowe Price Growth Stock Fund Annual Report 12-31-12**, Morningstar, accessed Jan. 29, 2014 <<http://quote.morningstar.com/fund-filing/Annual-Report/2012/12/31/t.aspx?t=PRGFX&ft=N-CSR&d=ddc779162a8ac362257a81fed9889c1d>>.
3. **PRGFX T. Rowe Price Growth Stock Fund, EDGAR**, accessed Jan. 29, 2014 <<http://www.sec.gov/Archives/edgar/data/80257/000008025713000014/0000080257-13-000014-index.htm>> Series [S000002087](#) | T. Rowe Price Growth Stock Fund, Inc. | Class/Contract [C000005453](#) | T. Rowe Price Growth Stock Fund, Inc. PRGFX

Business

Fidelity Invests \$74 Million in Facebook & \$82 Million in Zynga

[Gregory Gomer](#) Jun 2nd 2011 at 2:31 pm

[Facebook](#), [Zynga](#), [Fidelity](#)

+1

According to the [Boston Globe this morning](#), Fidelity Investments made a few large investments in social media during the first quarter of this year. It is reported that William Danoff, the manager of Fidelity's Contrafund - it's biggest and very popular fund - has invested \$74 million in Facebook Class B common shares and \$82 million in Zynga

convertible preferred stock. Danoff has managed the \$80 billion Fidelity Contrafund since September 1990.

In the [article](#), "Vincent Loporchio, a spokesman for Fidelity, said more than 30 of its funds held Facebook shares as of April 30. No fund had more than 0.15 percent of its assets invested in Facebook, said Loporchio, who declined to comment further."

This is certainly no surprise as large funds have been dying to get their hands on the red hot shares of these social media companies, but it does mark a scary trend.

These secondary markets are not regulated at all by the SEC, and most funds have avoided these privately traded stocks for years. These markets can be extremely volatile and guess what is going to be first to crash, once this said "bubble" we are in either pops or deflates?

I certainly like this move, historically these markets have proven to be extremely valuable leading up to the company's IPO's but again can be very risky. The fund also has a \$5.3 billion stake in Apple Inc. and \$3.8 billion in Google Inc.

Having that said, being a Fidelity alum I have money in the Contrafund and dig the investment.

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Bloomberg

Fidelity's Danoff Bets on Facebook, Zynga

By Miles Weiss - Jun 1, 2011

William Danoff, the manager of Fidelity Investment's largest stock fund, established a toehold in the social-networking industry during the first quarter by acquiring shares of [Facebook](#) Inc. and Zynga Inc.

Danoff's Fidelity Contrafund invested \$74 million in Facebook Class B common shares and \$82 million in Zynga convertible preferred stock, according to a quarterly report the fund filed yesterday with the U.S. Securities and Exchange Commission. Danoff, 50, has managed the \$80 billion Fidelity Contrafund since September 1990.

Fidelity and rivals T. Rowe Price Group Inc. and Capital Group Cos. are snapping up stakes in social-networking companies before they go public, after the mutual-fund industry avoided privately traded stocks for years. Boston-based Fidelity and Baltimore's T. Rowe Price may recognize an opportunity as a growing percentage of clients access their fund holdings through Facebook, said [Geoff Bobroff](#), a fund consultant in [East Greenwich, Rhode Island](#).

"We are seeing more of these fund companies embrace and adopt social media as something they are providing to their shareholders," Bobroff said today in an interview. "It's somewhat logical they would think there is value."

[Vincent Loporchio](#), a spokesman for Fidelity, said more than 30 of its funds held Facebook shares as of April 30. No fund had more than 0.15 percent of its assets invested in Facebook, according to Loporchio, who declined to comment further.

T. Rowe, American

T. Rowe Price reported in April that 19 of its mutual funds invested at least \$191 million during the first quarter in Facebook, the [Palo Alto](#), California-based owner of the world's most popular social-networking website. American Funds Growth Fund of America, a \$168 billion stock fund overseen by Los Angeles-based Capital Group, invested \$66.5 million on Feb. 18 in Zynga, the largest maker of games on Facebook, according to an April 29 filing.

[Fidelity Contrafund \(FCNTX\)](#) averaged annual gains of 7 percent over the past 10 years to beat 99

percent of its large-capitalization growth stock peers, according to Chicago-based research firm Morningstar Inc.

Danoff's fund aims to invest in stocks whose value hasn't been fully recognized by the public. At the end of last year, it had about 33 percent of net assets in information technology shares, including a \$5.3 billion stake in [Apple Inc. \(AAPL\)](#) and \$3.8 billion in Google Inc.

The fund acquired 2.97 million Facebook shares during the first quarter for about \$25 each, the same price T. Rowe Price reported paying, according to yesterday's filing. Facebook in January said it had raised \$1.5 billion from investors led by [Goldman Sachs Group Inc. \(GS\)](#), placing a \$50 billion valuation on the closely held business at the time.

Convertible Preferred Shares

Fidelity Contrafund also bought its Zynga convertible preferred stock on Feb. 18, according to yesterday's filing. Zynga held talks in February with T. Rowe Price and Fidelity about selling shares at a price that implied the company's market value was close to \$10 billion, two people familiar with the situation said at the time.

Facebook and Zynga last year laid the groundwork for initial public offerings by imposing fees on employees who sell their shares. Zynga may file for an IPO by the end of June, a person familiar with the plans said last week.

To contact the reporter on this story: Miles Weiss in Washington at mweiss@bloomberg.net

To contact the editor responsible for this story: Christian Baumgaertel at cbaumgaertel@bloomberg.net

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Mutual Funds and Taxes

Distributions from mutual funds occur for several different reasons and are subject to differing tax rates. Many mutual funds bundle most of their payouts into single, net distributions at the end of each year.

Whenever a mutual fund company passes earnings and other payouts to shareholders, it's known as a distribution. The major distribution for most funds comes at the end of each year, when net amounts are calculated—capital gains and other earnings minus the expenses of running the funds.

It's up to you to report mutual fund transactions on your tax return, as well as pay the appropriate taxes on each type of fund income.

Distributions and your taxes

If you hold shares in a taxable account, you are required to pay taxes on mutual fund distributions, whether the distributions are paid out in cash or reinvested in additional shares. The funds report distributions to shareholders on IRS Form 1099-DIV after the end of each calendar year.

For any time during the year you bought or sold shares in a mutual fund, you must report the transaction on your tax return and pay tax on any gains and dividends. Additionally, as an owner of the shares in the fund, you must report and potentially pay taxes on transactions conducted by the fund, that is, whenever the fund sells securities.

If you move between mutual funds at the same company, it may not feel like you received your money back and then reinvested it; however, the transactions are treated like any other sales and purchases, and so you must report them and pay taxes on any gains.

For federal tax purposes, ordinary income is generally taxed at higher rates than qualified dividends and long-term capital gains. The chart below illustrates how each type of mutual fund income is taxed.

Mutual funds in retirement and college savings accounts

Certain accounts, such as individual retirement and college savings accounts, are tax-advantaged. If you have mutual funds in these types of accounts, you pay taxes only when earnings or pre-tax contributions are withdrawn. This information will usually be reported on Form 1099-R.

Type of distribution	Definition	Federal income tax treatment
Long-term capital gains	Net gains from the sale of shares held for more than one year; may include some distributions received from investments held by the fund	Subject to the capital gains rates, usually lower than the ordinary income tax rates
Short-term capital gains	Net gains from the sale of shares held for one year or less	May be treated as ordinary dividends, thus taxable at ordinary income tax rates
Qualified dividends	Dividends from common stock of domestic corporations and qualifying foreign corporations	Normally taxed as long-term capital gains (subject to certain holding period and hedging restrictions)
Ordinary or non-qualified dividends	Investment income earned by the fund from interest and non-qualified dividends minus expenses; often used as a blanket term that includes all taxable income except long-term capital gains.	Taxable at ordinary income tax rates
Tax-exempt interest	Some or all interest on certain bonds, usually state or local municipal bonds, designated as tax-exempt	Not taxable for federal tax purposes; may be subject to state and/or local taxes, depending on your resident state and the type of bonds purchased
Taxable interest	Interest on fixed-income securities	Taxable at ordinary income tax rates
Federal interest	Interest on federal debt instruments	Taxable at ordinary federal income tax rates, but exempt from state income tax
Required distributions	Non-investment income required to be distributed by the fund (such as foreign currency gains that are taxed as ordinary income when distributed)	Taxed as ordinary income
Return of capital	A portion of your invested principal returned to you	Not taxable

When there is no distribution

If a mutual fund does not have any capital gains, dividends, or other payouts, no distribution may occur. There may also be a non-taxable distribution. Shareholders will not be required to pay taxes if the fund

“My funds are doing great—I must owe a lot in taxes.”

MARCH 31, 2013

T. ROWE PRICE GROWTH
STOCK FUND

Portfolio of Investments



T. ROWE PRICE®

Yellow highlight = notorious Facebook collaborators

T. Rowe Price Growth Stock Fund
(Unaudited)

31-Mar-2013

PRGFX

Portfolio of Investments

Equity & Debt Securities	Coupon %	Maturity	Shares/Par	Value (\$)	% of Net Assets
Accenture, Class A			4,560,100	346,430,797	1.035%
Akamai Technologies			3,782,067	133,469,144	0.399%
Alexion Pharmaceuticals			2,151,000	198,193,140	0.592%
Allergan			1,647,400	183,899,262	0.549%
Alliance Data Systems			712,900	115,411,381	0.345%
Amazon.com			5,578,500	1,486,614,465	4.441%
American Express			6,426,700	433,545,182	1.295%
American Tower, REIT			8,907,341	685,152,670	2.047%
Anheuser-Busch InBev			1,382,700	136,919,065	0.409%
Apple			1,414,500	626,100,135	1.870%
Autodesk			2,645,000	109,079,800	0.326%
AutoZone			742,000	294,403,340	0.880%
Babcock & Wilcox			1,512,700	42,975,807	0.128%
Baidu, ADR			1,675,300	146,923,810	0.439%
Baxter International			1,634,400	118,722,816	0.355%
Biogen Idec			2,094,900	404,127,159	1.207%
Boeing			2,431,800	208,770,030	0.624%
Broadcom, Class A			5,079,950	176,121,867	0.526%
Cabot Oil & Gas			1,223,200	82,700,552	0.247%
CarMax			5,266,400	219,608,880	0.656%
Carnival			4,631,605	162,143,790	0.484%
Catamaran			2,817,890	149,432,707	0.446%
Celgene			2,528,800	293,113,208	0.876%
Charter Communications			884,298	92,126,166	0.275%
Chipotle Mexican Grill			915,522	298,341,154	0.891%
Cimarex Energy			1,359,000	102,522,960	0.306%
Coca-Cola			4,769,300	192,870,492	0.576%
Cognizant Technology Solutions			2,857,600	218,920,736	0.654%
Colgate-Palmolive			1,379,500	162,822,385	0.486%
Costco Wholesale			2,378,400	252,372,024	0.754%
Crown Castle International			12,590,600	876,809,384	2.619%
CVS Caremark			6,669,900	366,777,801	1.096%
D. R. Horton			6,807,700	165,427,110	0.494%
Danaher			12,459,500	774,357,925	2.313%
Discovery Communications, Class A			431,300	33,960,562	0.101%
Discovery Communications, Class C			1,633,710	113,608,193	0.339%
Dollar Tree			1,929,900	93,465,057	0.279%
eBay			15,241,700	826,404,974	2.469%
Ecolab			2,825,900	226,580,662	0.677%
Edwards Lifesciences			1,751,600	143,911,456	0.430%
EOG Resources			1,902,500	243,653,175	0.728%
EQT			2,608,500	176,725,875	0.528%
Express Scripts Holding			1,164,768	67,148,875	0.201%
Facebook			7,653,166	195,767,986	0.585%
Fastenal			9,947,206	459,439,028	1.373%
FedEx			2,150,015	211,131,473	0.631%
Fiserv			1,510,300	132,649,649	0.396%
FMC Technologies			4,194,800	228,155,172	0.682%
Fossil			2,056,386	198,646,888	0.593%
Franklin Resources			2,193,560	330,810,784	0.988%
Gilead Sciences			14,369,000	703,075,170	2.100%
Google, Class A			2,273,900	1,805,544,817	5.394%
Green Mountain Coffee			718,200	40,765,032	0.122%
Harley-Davidson			2,098,500	111,850,050	0.334%
HCA Holdings			2,363,300	96,020,879	0.287%
Home Depot			7,236,400	504,955,992	1.509%
IDEXX Laboratories			1,383,400	127,812,326	0.382%
IHS			1,050,574	110,016,109	0.329%
IntercontinentalExchange			710,500	115,861,235	0.346%
Invesco			9,216,904	266,921,540	0.797%
J.B. Hunt Transport Services			2,396,500	178,491,320	0.533%
JPMorgan Chase			2,359,900	112,000,854	0.335%
Juniper Networks			11,014,400	204,206,976	0.610%
Kansas City Southern Industries			3,745,920	415,422,528	1.241%
Las Vegas Sands			6,621,500	373,121,525	1.115%
Lennar, Class A			3,977,200	164,974,256	0.493%
LinkedIn			1,802,300	317,312,938	0.948%
LivingSocial			2,113,733	2,367,381	0.007%
Lowe's			4,919,300	186,539,856	0.557%
Lululemon Athletica			2,597,900	161,979,065	0.484%
Marriott, Class A			3,366,837	142,181,527	0.425%
MasterCard, Class A			1,882,400	1,018,623,112	3.043%
McKesson			3,776,900	407,754,124	1.218%
MGM Resorts International			2,966,555	39,010,198	0.117%
Monster Beverage			2,498,800	119,292,712	0.356%
Nestle			2,047,076	148,037,256	0.442%
Netflix			1,058,900	200,566,249	0.599%
NetSuite			808,224	64,706,413	0.193%
News Corporation, Class A			3,848,900	117,468,428	0.351%
Nike, Class B			3,195,500	188,566,455	0.563%
Novo Nordisk			1,071,701	174,121,010	0.520%
Nuance Communications			3,712,500	74,918,250	0.224%
ONYX Pharmaceuticals			936,315	83,200,951	0.249%
Pernod Ricard			833,466	103,857,127	0.310%
Pharmacyclics			1,175,400	94,513,914	0.282%
Philip Morris International			1,806,300	167,462,073	0.500%

Portfolio of Investments

Equity & Debt Securities	Coupon %	Maturity	Shares/Par	Value (\$)	% of Net Assets
Phillips 66			3,263,500	228,347,095	0.682%
Pioneer Natural Resources			1,765,300	219,338,525	0.655%
Prada			13,777,900	139,242,421	0.416%
Praxair			4,774,200	532,514,268	1.591%
Precision Castparts			2,886,100	547,262,282	1.635%
priceline.com			1,097,314	754,875,220	2.255%
Procter & Gamble			2,627,300	202,459,738	0.605%
PVH			960,500	102,591,005	0.306%
Qualcomm			11,895,700	796,417,115	2.379%
Ralph Lauren			628,740	106,451,969	0.318%
Range Resources			3,864,900	313,211,496	0.936%
Red Hat			4,833,800	244,396,928	0.730%
Regeneron Pharmaceuticals			654,400	115,436,160	0.345%
Roper Industries			2,783,700	354,392,847	1.059%
Ross Stores			2,647,800	160,509,636	0.480%
Salesforce.com			2,249,400	402,260,202	1.202%
Samsung Electronics			175,267	237,869,108	0.711%
SBA Communications			1,126,000	81,094,520	0.242%
Schlumberger			3,085,700	231,088,073	0.690%
Sherwin-Williams			2,130,400	359,803,256	1.075%
Starbucks			7,295,320	415,541,427	1.241%
Starwood Hotels & Resorts Worldwide			3,732,264	237,857,185	0.711%
Stryker			2,276,700	148,531,908	0.444%
T. Rowe Price Reserve Investment Fund	0.10		159,533,201	159,533,201	0.477%
Tencent Holdings			2,267,300	72,085,802	0.215%
Trimble Navigation			2,700,570	80,909,077	0.242%
TripAdvisor			3,128,460	164,306,719	0.491%
TSC			1,360,400	141,658,452	0.423%
Twitter			1,750,449	28,672,355	0.086%
Twitter			45,380	743,324	0.002%
Twitter			11,653	190,876	0.001%
Twitter			2,913	47,715	0.000%
Twitter			429,907	7,041,877	0.021%
Twitter			1,120,002	18,345,633	0.055%
Twitter, Series B			820,169	13,434,368	0.040%
Twitter, Series C			222,472	3,644,091	0.011%
Twitter, Series F			147,763	2,420,358	0.007%
U.S. Bancorp			3,417,600	115,959,168	0.346%
Union Pacific			2,157,900	307,306,539	0.918%
United Continental			4,300,700	137,665,407	0.411%
UnitedHealth Group			2,966,539	169,715,696	0.507%
UPS, Class B			2,897,700	248,912,430	0.744%
Valeant Pharmaceuticals International			3,282,400	246,245,648	0.736%
Visa, Class A			4,238,500	719,866,840	2.151%
W. W. Grainger			395,700	89,024,586	0.266%
Walt Disney			3,666,900	208,279,920	0.622%
Whole Foods Market			3,018,800	261,880,900	0.782%
Williams Companies			5,735,400	214,848,084	0.642%
Yum! Brands			760,200	54,688,788	0.163%
Zoetis			719,310	24,024,954	0.072%

Total Investments in Securities

33,505,731,793

NET ASSETS

33,473,616,047

NET ASSET VALUE PER SHARE

Growth Stock Fund - Investor Class

(\$30,111,003,564 / 739,807,291 shares outstanding)

40.70

Growth Stock Fund - Advisor Class

(\$2,575,864,596 / 63,988,113 shares outstanding)

40.26

Growth Stock Fund - R Class

(\$786,747,887 / 19,883,909 shares outstanding)

39.57

ADR	American Depositary Receipts
ADS	American Depositary Shares
AR	Auction Rate security with an interest rate reset feature through a modified Dutch auction at predetermined short-term intervals; rate shown is effective rate at period-end.
ARM	Adjustable Rate Mortgage
BAN	Bond Anticipation Note
CDA	Community Development Administration
CLN	Credit Linked Note
CMO	Collateralized Mortgage Obligation
COP	Certificate of Participation
DOT	Department of Transportation
EFA	Educational Facility Authority
ETC	Equipment Trust Certificate
FDR	Fiduciary Depositary Receipt
FRN	Floating Rate Note
GDR	Global Depositary Receipts
GDS	Global Depositary Shares
GO	General Obligation
HDA	Housing Development Authority
HEFA	Health & Educational Facility Authority
HFA	Health Facility Authority
HFC	Housing Finance Corp.
HFFA	Health Facility Financing Authority
HEFA	Health & Higher Educational Facility Authority

Portfolio of Investments

HHEFA	Health & Higher Educational Facility Authority
IDA	Industrial Development Authority/Agency
IDB	Industrial Development Bond
IDC	Industrial Development Corp.
IDRB	Industrial Development Revenue Bond
IO	Interest Only security for which the fund receives interest on notional principal (par)
PCR	Pollution Control Revenue
PFA	Public Finance Authority
PIK	Payment-in-kind
PTC	Pass-Through Certificate
RAC	Revenue Anticipation Certificate
RAN	Revenue Anticipation Note
RAW	Revenue Anticipation Warrant
REIT	Real Estate Investment Trust
RIB	Residual interest bond issued by a third party securitization trust and purchased directly through a cash transaction that involved no exchange of previously held securities; rate varies inversely to short-term interest rates and the rate presented is the effective rate at period-end.
STEP	Stepped coupon bond for with the coupon rate of interest will adjust on specified future date(s)
TAN	Tax Anticipation Note
TAW	Tax Anticipation Warrant
TBA	To Be Announced purchase commitment
TDFA	Trade & Deposit Facility Agreement
TECP	Tax-Exempt Commercial Paper
TRAN	Tax Revenue Anticipation Note
VR	Variable Rate; rate shown is effective rate at period-end
VRDN	Variable Rate Demand Note under which the holder has the right to sell the security to the issuer or the issuer's agent at a predetermined price (generally par) on specified dates upon required notification; rate shown is effective rate at period-end.

Source: Fidelity® Disciplined Equity Fund (FDEQX) Annual Report, October 31, 2013, p. 5
<http://fundresearch.fidelity.com/mutual-funds/summary/316066208>.

Fund Name	Prospectus	Shareholder Reports		Statement of Additional Information (SAI)
Fidelity Disciplined Equity Fund	Summary (12/30/13)	Full (12/30/13)	Annual (12/30/13)	Semi-Annual (06/29/13) SAI (12/30/13)

Fidelity®

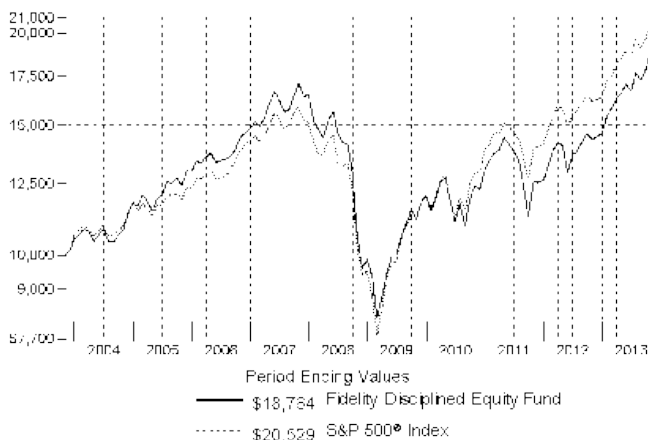
S.E.C. Chairman Mary L. Schapiro was invested in this Fidelity Fund before Jan. 12, 2009.

Disciplined Equity

Fund

Annual Report

October 31, 2013



Management's Discussion of Fund Performance

Market Recap: The bull run in U.S. stocks settled into a fifth year, as equity benchmarks ripped through records during the 12 months ending October 31, 2013, despite volatility at either end of the period. Advances were fueled by strengthening U.S. economic data, as well as generally improving economies and accommodative monetary policies worldwide. The broad S&P 500® Index set a series of new highs in rising 27.18% for the period, while the blue-chip Dow Jones

Industrial AverageSM also hit major milestones en route to a 21.82% gain. The Nasdaq Composite Index[®] had an even hotter run, up 33.54% amid a resurgence in growth-oriented stocks. Markets slipped on early-period anxiety around the U.S. presidential election and federal debt-ceiling deadline, but quickly rebounded, steadily rising through late May. News that the U.S. Federal Reserve was considering tapering its stimulative bond-buying program kept stocks in flux over the summer. By September, the Fed had put aside any imminent tapering, but markets remained skittish over a potential U.S. military strike in Syria and, later, a U.S. budget impasse that briefly shuttered government in October. Resolution of these issues saw markets homing in on all-time peaks at period end. Elsewhere, non-U.S. developed-markets equities continued to rebound, with the MSCI[®] EAFE[®] Index adding 27.02%.

Comments from Keith Quinton and Alex Devereaux, who joined Quinton as Co-Portfolio Manager of Fidelity[®] Disciplined Equity Fund on January 1, 2013: For the year, the fund's Retail Class shares returned 30.80%, solidly outperforming the S&P 500[®]. Both our quant and fundamental research models fared well, with value stocks leading the way and market momentum adding a nice boost. Beginning in January, we made some beneficial changes to the portfolio, paring its total number of holdings, shrinking the fund's international exposure to reduce country and currency risk, and tightening the degree of our stock overweightings against the index, while adding some flexibility around sector weightings. **The fund's top relative contributor was an out-of-benchmark stake in social media leader Facebook.¹** Stock picks in consumer staples helped, especially a sizable overweighting in food & staples retailer Kroger, and a stake in alcohol distributor Constellation Brands, which we sold by period end. Conversely, results were crimped by weak stock picking in diversified financial services, including poor timing in Bank of America and credit card company Discover Financial Services. The fund also was hurt by a small cash position.

S.E.C. Chairman Mary L. Schapiro was invested in this Fidelity Fund before Jan. 12, 2009.

Note to shareholders: On January 1, 2014, Alex Devereaux will become sole Portfolio Manager of the fund.

The views expressed above reflect those of the portfolio manager(s) only through the end of the period as stated on the cover of this report and do not necessarily represent the views of Fidelity or any other person in the Fidelity organization. Any such views are subject to change at any time based upon market or other conditions and Fidelity disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Fidelity fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Fidelity fund.

The following page is a snapshot of the official PDF— Fidelity[®] Disciplined Equity Fund (FDEQX) Annual Report, October 31, 2013, p. 5. (Note: We have re-rendered the page and re-OCR-ed it [Optical Character Recognition] so that it is now fully searchable.)

¹ This disclosure about Facebook, while it appears on the official Fidelity PDF file, has been scrambled and rendered unsearchable. The source of this cut and paste text is the Fidelity online site at <http://fundresearch.fidelity.com/prospectus/funds-retail> with the text rendered as HTML. However, this text is displayed as a database insertion that maintains this text out of the cloud and inaccessible to direct public searches. One would have to go specifically looking inside this particular report, as we have done, to find the reference to Facebook. This is a clever way to **mask references to Facebook**, or any other stock for that matter, from public searches. This reference is masked about as well as it can be and still be a legal public disclosure.

Management's Discussion of Fund Performance

Market Recap: The bull run in U.S. stocks settled into a fifth year, as equity benchmarks ripped through records during the 12 months ending October 31, 2013, despite volatility at either end of the period. Advances were fueled by strengthening U.S. economic data, as well as generally improving economies and accommodative monetary policies worldwide. The broad S&P 500® Index set a series of new highs in rising 27.18% for the period, while the blue-chip Dow Jones Industrial AverageSM also hit major milestones en route to a 21.82% gain. The Nasdaq Composite Index® had an even hotter run, up 33.54% amid a resurgence in growth-oriented stocks. Markets slipped on early-period anxiety around the U.S. presidential election and federal debt-ceiling deadline, but quickly rebounded, steadily rising through late May. News that the U.S. Federal Reserve was considering tapering its stimulative bond-buying program kept stocks in flux over the summer. By September, the Fed had put aside any imminent tapering, but markets remained skittish over a potential U.S. military strike in Syria and, later, a U.S. budget impasse that briefly shuttered government in October. Resolution of these issues saw markets homing in on all-time peaks at period end. Elsewhere, non-U.S. developed-markets equities continued to rebound, with the MSCI® EAFE® Index adding 27.02%.

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Source: Fidelity® Disciplined Equity Fund (FDEQX) Annual Report, October 31, 2013, p. 5
 <<http://fundresearch.fidelity.com/mutual-funds/summary/316066208>>.

Fidelity® Disciplined Equity Fund

Annual Report, October 31, 2013

The following excerpts show the direct conflicts of interest regarding Facebook for any judge or government official who has invested in this fund.



1. JPMorgan is one of Facebook's investment bankers.
2. IBM sold Facebook 750 patents during the pendency of the *Leader v. Facebook* patent infringement trial. Further, US Patent Office Director, David J. Kappos, is former chief intellectual property counsel for IBM, and is therefore conflicted regarding matters related to Leader Technologies and Facebook.
3. Microsoft is one of Facebook's largest shareholders.

S.E.C. Chairman Mary L. Schapiro had an unmistakable duty to recuse herself from all matters related to the Facebook exemption and IPO.

Internet Software & Services – 3.2%

Facebook, Inc. Class A (a)	172,592	8,674
Google, Inc. Class A (a)	33,060	34,009
		<u>42,683</u>

IT Services – 3.1%

Cognizant Technology Solutions Corp. Class A (a)	149,584	13,003
Computer Sciences Corp.	127,510	6,281
Fidelity National Information Services, Inc.	105,509	5,144
IBM Corp.	87,500	15,681
		<u>40,109</u>

Semiconductors & Semiconductor Equipment – 0.2%

Micron Technology, Inc. (a)	129,765	2,294
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See accompanying notes which are an integral part of the financial statements.

Consumer Finance – 1.4%		
SUM Corp.	698,002	17,708
Diversified Financial Services – 6.7%		
Bank of America Corp.	471,011	6,575
Berkshire Hathaway, Inc. (Class B) (a)	305,300	35,157
Chigroup, Inc.	579,534	28,770
JF Yangon China & Co.	343,276	17,692
		<u>87,694</u>
Insurance – 3.4%		
American International Group, Inc.	232,571	12,012

See accompanying notes which are an integral part of the financial statements.

Annual Report 10

Common Stocks – continued		
	Shares	Value (000s)
INFORMATION TECHNOLOGY – continued		
Software – 3.0%		
Microsoft Corp.	866,060	\$ 30,615
Solera Holdings, Inc.	150,456	8,459
		<u>39,074</u>
TOTAL INFORMATION TECHNOLOGY		252,735

Executive Branch Personnel PUBLIC FINANCIAL DISCLOSURE REPORT

Date of Appointment, Candidacy, Election or Nomination (Month, Day, Year)		Reporting Status (Check appropriate boxes) Incumbent <input type="checkbox"/>		Calendar Year Covered by Report		New Entrant, Nominee, or Candidate <input checked="" type="checkbox"/>		Termination Filer <input type="checkbox"/>		Termination Date (If Applicable) (Month, Day, Year)		Fee for Late Filing Any individual who is required to file this report and does so more than 30 days after the date the report is required to be filed, or, if an extension is granted, more than 30 days after the last day of the filing extension period, shall be subject to a \$200 fee.	
Reporting Individual's Name		Last Name: Schapiro				First Name and Middle Initial: Mary L						Reporting Periods Incumbents: The reporting period is the preceding calendar year except Part II of Schedule C and Part I of Schedule D where you must also include the filing year up to the date you file. Part II of Schedule D is not applicable. Termination Filers: The reporting period begins at the end of the period covered by your previous filing and ends at the date of termination. Part II of Schedule D is not applicable. Nominees, New Entrants and Candidates for President and Vice President: Schedule A--The reporting period for income (BLOCK C) is the preceding calendar year and the current calendar year up to the date of filing. Value assets as of any date you choose that is within 31 days of the date of filing. Schedule B--Not applicable. Schedule C, Part I (Liabilities)--The reporting period is the preceding calendar year and the current calendar year up to any date you choose that is within 31 days of the date of filing. Schedule C, Part II (Agreements or Arrangements)-- Show any agreements or arrangements as of the date of filing. Schedule D--The reporting period is the preceding two calendar years and the current calendar year up to the date of filing.	
Position for Which Filing		Title of Position: Chairman				Department or Agency (If Applicable): Securities and Exchange Commission							
Location of Present Office (or forwarding address)		Address (Number, Street, City, State, and ZIP Code): 1735 K St NW, Washington DC				Telephone No. (include Area Code): 202 728 8140							
Position(s) Held with the Federal Government During the Preceding 12 Months (If Not Same as Above)		Title of Position(s) and Date(s) Held: None											
Presidential Nominees Subject to Senate Confirmation		Name of Congressional Committee Considering Nomination: Committee on Banking Housing and Urban Affairs				Do You Intend to Create a Qualified Diversified Trust? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>							
Certification		Signature of Reporting Individual: <i>Mary Schapiro</i>				Date (Month, Day, Year): January 12, 2009							
Other Review (If desired by agency)		Signature of Other Reviewer:				Date (Month, Day, Year):							
Agency Ethics Official's Opinion		Signature of Designated Agency Ethics Official/Reviewing Official: <i>[Signature]</i>				Date (Month, Day, Year): 1/12/2009							
Office of Government Ethics Use Only		Signature: <i>[Signature]</i>				Date (Month, Day, Year): 1/12/09							
Comments of Reviewing Officials (If additional space is required, use the reverse side of this sheet).												Agency Use Only	
(Check box if filing extension granted & indicate number of days _____) <input type="checkbox"/>												OGE Use Only	
(Check box if comments are continued on the reverse side) <input type="checkbox"/>												JAN 12 2009	

Reporting Individual's Name
 Mary L. Schapiro

SCHEDULE A

Page Number
 2

BLOCK A Assets and Income	BLOCK B Valuation of Assets at close of reporting period										BLOCK C Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.		Other Income (Specify Type & Actual Amount)	Date (Mo., Day, Yr.) Only if Honoraria	
	None (or less than \$1,000)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000*	\$1,000,001 - \$5,000,000	\$5,000,001 - \$25,000,000	Over \$25,000,000	None (or less than \$201)			Amount
For you, your spouse, and dependent children, report each asset held for investment or the production of income which had a fair market value exceeding \$1,000 at the close of the reporting period, or which generated more than \$200 in income during the reporting period, together with such income. For yourself, also report the source and actual amount of earned income exceeding \$200 (other than from the U.S. Government). For your spouse, report the source but not the amount of earned income of more than \$1,000 (except report the actual amount of any honoraria over \$200 of your spouse). None <input type="checkbox"/>															
Examples															
Central Airlines Common				X											
Doe Jones & Smith, Hometown, State			X												Law Partnership Income \$100,000
Kempstone Equity Fund				X											
IRA: Heartland 500 Index Fund					X										
1 T Rowe Price Summit Muni In Fund (PRSM)		X													
Walt Disney Corp stock (J)		X									X				
Fidelity Disciplined Equity (FDEQX) (J)			X									X			
2 T Rowe Price Growth Stock (PRGFX) (J)				X											
T Rowe Price Equity Income (PRFDX) (J)				X									X		
T Rowe Price Spectrum In (PSILX) (J)		X													
3 Starbucks Corp stock		X													
T Rowe Price Summit FDS Cash (TSCXX)				X									X		
T Rowe Price Summit Muni In Fund (PRSM)					X									X	
4 General Electric Corp stock		X													
T Rowe Price Growth Stock (PRGFX)				X								X			
T Rowe Price Equity Income (PRFDX)				X									X		
5 T Rowe Price Spectrum In (PSILX)			X												
Palm Beach County health facility bond		X										X			
T Rowe Price UGMA Equity Income (PRFDX)		X													
6 T Rowe Price Tax-Exempt Money (PRFDX)				X											
TRP New Income Fund (PRCIX) (IRA)				X									X		
Alliance Bernstein Int Growth (ABICX)				X											

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.

Reporting Individual's Name

Mary L. Schapiro

SCHEDULE A continued

(Use only if needed)

Page Number

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BLOCK A Assets and Income	BLOCK B Valuation of Assets at close of reporting period							BLOCK C Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.		Other Income (Specify Type & Actual Amount)	Date (Mo., Day, Yr.) Only if Honoraria	
	None (or less than \$1,001)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	Over \$500,000*	Type	Amount			
None <input type="checkbox"/>								None (or less than \$201)				
1 TRP Growth Stock (PRGFX) (IRA) TRP Equity Income (PRFDX) (IRA)			X									
2 TRP Spectrum Int (PSILX) (IRA) Vanguard Star Fund (VGSTX) TRP Prime Reserve (PRRX) (IRA)	X		X	X								
3 TRP Short Term Bond Fund (PRWBX) TRP Growth Stock (PRGFX) (S) TRP Equity Income (PRFDX) (S)	X		X									
4 TRP Spectrum Int (PSILX) (S) TRP Summit Muni Inter (PRSMX) (S)	X		X									
5 TRP Retirement 2020 IRA (S) (TRRBX) TRP Tax Exempt Money (PTEXX) (S) FINRA SAVINGS PLUS (defined contrib)	X		X									
6 - Vanguard 500 Index (VFINX) - Vanguard Int Value (VTRIX) - Vanguard Life Strategy (VSMGX)			X	X								
7 - Vanguard Retirement Savings - Vanguard Total Bond (VBMFX) - Vanguard Windsor (VWNFX)			X	X								
8 Kraft Food shares FINRA 457b - Vanguard Life Strat (VSCGX)				X				X				
9 - Vanguard Fed MM (VNFXX) - Vanguard Target Ret 2015 (VTXVX) - American Growth Fund (RGAFX)	X		X									

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.

Mary L. Schapiro

SCHEDULE A continued

(Use only if needed)

BLOCK A Assets and Income	BLOCK B Valuation of Assets at close of reporting period								BLOCK C Income: type and amount. If "None (or less than \$201)" is checked, no other entry is needed in Block C for that item.																			
	None (or less than \$1,001)	\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000 *	Excepted Investment Fund	Excepted Trust	Qualified Trust	Type		Amount								Other Income (Specify Type & Actual Amount)	Date (Mo., Day, Yr.) Only if Honoraria					
												Dividends	Rent and Royalties	Interest	Capital Gains	None (or less than \$201)	\$201 - \$5,000	\$5,001 - \$25,000	\$25,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$1,000,000			Over \$1,000,000*	\$1,000,001 - \$5,000,000	Over \$5,000,000		
1 FINRA Salary and Incentive Comp Kraft Foods Director Comp																							2,750,000					
2 Kraft Foods Payout of prior deferred comp Duke Energy -- deferred comp -- stock						X																			184,800			
3 Duke Energy deferred comp -- cash Kraft Foods deferred comp -- cash							X																					
4 FINRA Defined Benefit Plans FINRA 2008 Incentive Compensation								X																				
5 FINRA -- 3 months COBRA benefits		X																										
6 The Urban Institute																												
7																												
8																												
9																												

* This category applies only if the asset/income is solely that of the filer's spouse or dependent children. If the asset/income is either that of the filer or jointly held by the filer with the spouse or dependent children, mark the other higher categories of value, as appropriate.

Do not Complete Schedule B if you are a new entrant, nominee, Vice Presidential or Presidential Candidate

Reporting Individual's Name Mary L. Schapiro	SCHEDULE B	Page Number 7
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Part I: Transactions

None

Report any purchase, sale, or exchange by you, your spouse, or dependent children during the reporting period of any real property, stocks, bonds, commodity futures, and other securities when the amount of the transaction exceeded \$1,000. Include transactions that resulted in a loss. Do not report a transaction involving property used solely as your personal residence, or a transaction solely between you, your spouse, or dependent child. Check the "Certificate of divestiture" block to indicate sales made pursuant to a certificate of divestiture from OGE.

	Identification of Assets	Transaction Type (x)			Date (Mo., Day, Yr.)	Amount of Transaction (x)													
		Purchase	Sale	Exchange		\$1,001 - \$15,000	\$15,001 - \$50,000	\$50,001 - \$100,000	\$100,001 - \$250,000	\$250,001 - \$500,000	\$500,001 - \$1,000,000	Over \$1,000,000*	\$1,000,001 - \$5,000,000	\$5,000,001 - \$25,000,000	\$25,000,001 - \$50,000,000	Over \$50,000,000	Certificate of divestiture		
1	Example: Central Airlines Common	x			2/1/99			x											
2																			
3																			
4																			
5																			

* This category applies only if the underlying asset is solely that of the filer's spouse or dependent children. If the underlying asset is either held by the filer or jointly held by the filer with the spouse or dependent children, use the other higher categories of value, as appropriate.

Part II: Gifts, Reimbursements, and Travel Expenses

For you, your spouse and dependent children, report the source, a brief description, and the value of: (1) gifts (such as tangible items, transportation, lodging, food, or entertainment) received from one source totaling more than \$260; and (2) travel-related cash reimbursements received from one source totaling more than \$260. For conflicts analysis, it is helpful to indicate a basis for receipt, such as personal friend, agency approval under 5 U.S.C. § 4111 or other statutory authority, etc. For travel-related gifts and reimbursements, include travel itinerary, dates, and the nature of expenses provided. Exclude anything given to you by

the U.S. Government; given to your agency in connection with official travel; received from relatives; received by your spouse or dependent child totally independent of their relationship to you; or provided as personal hospitality at the donor's residence. Also, for purposes of aggregating gifts to determine the total value from one source, exclude items worth \$104 or less. See instructions for other exclusions.

None

	Source (Name and Address)	Brief Description	Value
	Examples: Nat'l Assn. of Rock Collectors, NY, NY Frank Jones, San Francisco, CA	Airline ticket, hotel room & meals incident to national conference 6/15/99 (personal activity unrelated to duty) Leather briefcase (personal friend)	\$500 \$300
1			
2			
3			
4			
5			

Reporting Individual's Name

Mary L. Schapiro

SCHEDULE C

Page Number

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Part I: Liabilities

Report liabilities over \$10,000 owed to any one creditor at any time during the reporting period by you, your spouse, or dependent children. Check the highest amount owed during the reporting period. Exclude a mortgage on your

personal residence unless it is rented out; loans secured by automobiles, household furniture or appliances; and liabilities owed to certain relatives listed in instructions. See instructions for revolving charge accounts.

None

Category of Amount or Value (x)

Examples:	Creditors (Name and Address)	Type of Liability	Date Incurred	Interest Rate	Term if applicable	Category of Amount or Value (x)																	
						\$10,001	\$15,000	\$15,001	\$50,000	\$50,001	\$100,000	\$100,001	\$250,000	\$500,000	\$1,000,000	Over \$1,000,000	\$1,000,001	\$5,000,000	\$5,000,001	\$25,000,000	Over \$50,000,000		
	First District Bank, Washington, DC John Jones, 123 J St., Washington, DC	Mortgage on rental property, Delaware Promissory note	1991 1999	8% 10%	25 yrs on demand					X													
1	Citimongage, The Lakes, Nevada	Mortgage on rental property, Connecticut	2005	6%	10 years						X												
2																							
3																							
4																							
5																							

* This category applies only if the liability is solely that of the filer's spouse or dependent children. If the liability is that of the filer or a joint liability of the filer with the spouse or dependent children, mark the other higher categories, as appropriate.

Part II: Agreements or Arrangements

Report your agreements or arrangements for: continuing participation in an employee benefit plan (e.g., 401k, deferred compensation); (2) continuation payment by a former employer (including severance payments); (3) leaves

of absence; and (4) future employment. See instructions regarding the reporting of negotiations for any of these arrangements or benefits.

None

Example:	Status and Terms of any Agreement or Arrangement	Parties	Date
	Pursuant to partnership agreement, will receive lump sum payment of capital account & partnership share calculated on service performed through 1/00.	Doe Jones & Smith, Hometown, State	7/85
1	FINRA: Pursuant to the FINRA defined benefits plans I will receive a lump sum payment of accrued benefits and three months COBRA at the time I resign.	FINRA, Washington DC	2/1996
2	FINRA: I will continue to participate in the Savings Plus and 457b plans, but no new contributions will be made by me or FINRA. FINRA: Incentive Compensation for 2008 will be paid prior to entering Government service.	FINRA, Washington DC	2/1996
3	Kraft Foods - I will receive a payment of deferred compensation from Kraft Foods, Inc., in the form of cash prior to entering Government service, and I will forfeit my unvested stock grants.	Kraft Foods, Northfield, Ill	2001
4	Duke Energy Corp - I will receive a payment of deferred compensation from Duke Energy Corporation, in the form of cash and stock, prior to entering Government service.	Duke Energy Corp, Charlotte, NC	1999
5	Duke Energy Corp and Kraft Foods - I will continue to hold vested stock options in these entities. I do not hold any unvested stock options in either of these entities.	Kraft Foods, Northfield, Ill Duke Energy Corp, Charlotte, NC	2001 1999
6			

Reporting Individual's Name Mary L. Schapiro	SCHEDULE D	Page Number 9
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Part I: Positions Held Outside U.S. Government

Report any positions held during the applicable reporting period, whether compensated or not. Positions include but are not limited to those of an officer, director, trustee, general partner, proprietor, representative, employee, or

consultant of any corporation, firm, partnership, or other business enterprise or any non-profit organization or educational institution. Exclude positions with religious, social, fraternal, or political entities and those solely of an honorary nature.

None

	Organization (Name and Address)	Type of Organization	Position Held	From (Mo., Yr.)	To (Mo., Yr.)
Examples:	Natl Assn. of Rock Collectors, NY, NY Doe Jones & Smith, Hometown, State	Non-profit education Law firm	President Partner	6/92 7/85	Present 1/00
1	Financial Industry Regulatory Authority (FINRA), Washington, DC	Non-profit regulatory organization	Chief Executive Officer	2/96	present
2	Kraft Foods Inc. Northfield, Ill	Food company	Director	2001	present
3	Duke Energy Corp, Charlotte, NC	Energy company	Director	1999	present
4	Franklin & Marshall College, Lancaster, PA	Non-profit education	Trustee	1994	present
5	FINRA Investor Education Foundation	non profit education/research	Chairman	2003	present
6	RAND Corporation Advisory Board, Santa Monica CA SEC Historical Society, Washington, DC	non-profit non-profit education	Advisory Board Member Board Member	2005 2003 est	present present

Part II: Compensation In Excess Of \$5,000 Paid by One Source

Report sources of more than \$5,000 compensation received by you or your business affiliation for services provided directly by you during any one year of the reporting period. This includes the names of clients and customers of any

corporation, firm, partnership, or other business enterprise, or any other non-profit organization when you directly provided the services generating a fee or payment of more than \$5,000. You need not report the U.S. Government as a source.

Do not complete this part if you are an Incumbent, Termination Filer, or Vice Presidential or Presidential Candidate.

None

	Source (Name and Address)	Brief Description of Duties
Examples:	Doe Jones & Smith, Hometown, State Metro University (client of Doe Jones & Smith), Moneytown, State	Legal services Legal services in connection with university construction
1	Financial Industry Regulatory Authority, Washington, D.C.	Management
2	Kraft Foods Inc., Northfield Ill	Public director
3	Duke Energy Corp, Charlotte, NC	Public director
4		
5		
6		

January 11, 2009

William Lenox
Ethics Counsel and
Designated Agency Ethics Official
Securities and Exchange Commission
100 F Street, N.E.
Washington, D.C. 20549

Dear Mr. Lenox:

The purpose of this letter is to describe the steps that I will take to avoid any actual or apparent conflict of interest in the event that I am confirmed for the position of Chairman, Securities and Exchange Commission.

As required by 18 U.S.C. § 208(a), I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my financial interests or those of any person whose interests are imputed to me, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). I understand that the interests of the following persons are imputed to me: any spouse or minor child of mine; any general partner of a partnership in which I am a limited or general partner; any organization in which I serve as officer, director, trustee, general partner or employee; and any person or organization with which I am negotiating or have an arrangement concerning prospective employment.

Upon confirmation, I will resign from my position as Chief Executive Officer of the Financial Industry Regulatory Authority (FINRA). Following my resignation and before I assume the duties of the position of Chairman, I will receive a cash payment of my interest in the FINRA Defined Benefit Plans, pursuant to the standard terms of these plans. This payment will be based solely on the fixed amount of my interest in the plans. I will receive a lump sum payment of three months temporary COBRA benefits before I assume the duties of the position of Chairman. I will continue to participate in FINRA's Savings Plus and 457(b) plans, but no new contributions will be made by me or FINRA. For a period of one year after my resignation, I will not participate personally and substantially in any particular matter involving specific parties in which FINRA is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d). In addition, for the duration of my appointment as Chairman, I will not participate personally and substantially in any particular matter in which I previously appeared before, or directly communicated with, the Securities and Exchange

Commission on behalf of FINRA, or in any particular matter involving specific parties in which I previously participated in my capacity as a FINRA employee, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

In addition, I will receive my 2008 incentive compensation award from FINRA before I assume the duties of the position of Chairman. FINRA's policy is to award incentive compensation to employees who terminate employment during the course of a year, such that if an individual remains an employee beyond June 30 of a given year, FINRA will pay the individual a pro rated amount of incentive compensation based on the portion of the year that the individual worked. There is no requirement that I continue to be an employee on the date that FINRA pays incentive compensation to other senior officers of FINRA. In my case, I worked for FINRA through all of 2008, which means I am eligible for my entire incentive compensation award for 2008. However, I will not be eligible for a 2009 incentive compensation award because I will be resigning before June 30, 2009.

Upon confirmation, I will resign from my Director position with Duke Energy Corporation. I will retain my stock and vested stock options in Duke Energy Corporation. I do not have any unvested stock options, restricted stock, or unvested stock grants in Duke Energy Corporation. Following my resignation, I will receive a standard payment of deferred compensation from Duke Energy Corporation, pursuant to the standard practice of Duke Energy Corporation for departing Directors. This compensation is based on a previous election that I made to defer a specific amount of compensation that I had earned, and the amount is fixed. Duke Energy Corporation will make this payment to me in the form of cash and stock. The agency has determined that it is not necessary at this time for my spouse and me to divest these financial interests because my recusal from particular matters directly and predictably affecting Duke Energy will not substantially limit my ability to perform the essential duties of the position of Chairman. For as long as we hold these interests, I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of Duke Energy, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). If we divest our interests in Duke Energy within the first year of my appointment, for a period of one year after my resignation from that entity, I will not participate personally and substantially in any particular matter involving specific parties in which that entity is a party or represents a party, unless I first obtain a written waiver to participate, pursuant to 5 C.F.R. § 2635.502(d).

Upon confirmation, I will resign from my Director position with Kraft Foods. I will retain my stock and vested stock options in Kraft Foods. I do not have any unvested stock options or restricted stock in Kraft Foods. I currently have unvested stock grants in Kraft Foods, but I will forfeit any such stock grants that are still unvested at the time of my resignation. Following my resignation, I will receive a standard payment of deferred compensation from Kraft Foods, pursuant to the standard practice of Kraft Foods for departing Directors. This compensation is based on a previous election that I made to defer a specific amount of compensation that I had earned, and the amount is fixed. Kraft

Foods will make this payment to me in the form of cash. The agency has determined that it is not necessary at this time for my spouse and me to divest these financial interests because my recusal from particular matters directly and predictably affecting Kraft Food will not substantially limit my ability to perform the essential duties of the position of Chairman. For as long as we hold these interests, I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of Kraft Foods, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2). If we divest our interests in Kraft Foods within the first year of my appointment, for a period of one year after my resignation from that entity, I will not participate personally and substantially in any particular matter involving specific parties in which that entity is a party or represents a party, unless I first obtain a written waiver to participate, pursuant to 5 C.F.R. § 2635.502(d).

In order to comply with Commission requirements that the investment company holdings of its members be restricted to those that are registered as diversified pursuant to section 5(b)(1) of the Investment Company Act of 1940, within 90 days of my confirmation, I and my spouse will divest our holdings in any investment companies that are not registered as diversified. With regard to each of these entities, I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of the entity until we have divested it, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

I have been advised that the duties of the Chairman of the Securities and Exchange Commission may involve particular matters affecting the financial interests of the following entities: General Electric Company; Starbucks Corporation; Walt Disney Company; and Spectra Energy Corporation. The agency has determined that it is not necessary at this time for my spouse and me to divest our interests in these entities because my recusal from particular matters in which these interests pose a conflict of interest will not substantially limit my ability to perform the essential duties of the position of Chairman. Accordingly, I will not participate personally and substantially in any particular matter that has a direct and predictable effect on the financial interests of any of these entities, unless I first obtain a written waiver, pursuant to 18 U.S.C. § 208(b)(1), or qualify for a regulatory exemption, pursuant to 18 U.S.C. § 208(b)(2).

Upon confirmation, I will resign from my uncompensated positions as Chairman of the FINRA Investor Education Foundation; trustee of Franklin & Marshall College; board member of the SEC Historical Society; and member of the RAND Corporation's LRN-RAND Center of Corporate Ethics, Law and Governance Advisory Board. For a period of one year after my resignations from each of these entities, I will not participate personally and substantially in any particular matter involving specific parties in which that entity is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

My spouse is an employee of The Urban Institute. I will not participate personally and substantially in any particular matter that has a direct and predictable effect on my spouse's compensation or employment with The Urban Institute. I also will not participate personally and substantially in any particular matter involving specific parties in which The Urban Institute is a party or represents a party, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Finally, I will provide the appropriate officials with a list of those interests I have retained (or may acquire) in order to support my efforts to avoid conflicts of interest. In addition, I will recuse myself from participation on a case-by-case basis in any particular matter in which I determine that a reasonable person with knowledge of the relevant facts would question my impartiality in that matter, unless I am first authorized to participate, pursuant to 5 C.F.R. § 2635.502(d).

Sincerely,


Mary L. Schapiro