

FIDELITY STARTS UP THE SHREDDERS

JULY 2004

Fidelity Brokerage Services is being fined a \$2 million fine by securities regulators to settle claims that its employees deliberately altered and destroyed branch-office records before internal inspections in 2001 and 2002. The SEC has found that Fidelity's employees violated books and recordkeeping rules and the company failed to supervise employees who tampered with the documents. I find this whole debacle quite curious.

Does the SEC think that employees tampered with the document on their own?

Is it not reasonable to concur that the employees were ordered to tamper with the documents?

62 employees in 24 Fidelity Brokerage branch offices were allegedly involved in altering or trashing documents including account applications, letters of authorization and variable annuity forms.

Follow the logic...The SEC concludes that all 62 employees, at 24 different branch offices, destroyed similar documents, and they all acted alone with no direction from Fidelity.

Yeah right, and OJ is innocent as well!

Of course Fidelity neither admitted nor denied wrongdoing.