

27 May 2005

Our ref DB1102/GDB-2319

Mr Fabrice Demarigny
Secretary General
The Committee of European Securities Regulators
11-13 avenue de Friedland
Paris 75008
FRANCE

Dear Mr Demarigny

CESR'S ADVICE ON POSSIBLE IMPLEMENTING MEASURES OF THE TRANSPARENCY DIRECTIVE

Fidelity Investments International ("Fidelity") welcomes the opportunity to support CESR's revised draft advice on possible implementing measures of the Transparency Directive. Fidelity Investments is the world's largest independent fund manager¹, managing more than £670 billion as at 31st December, 2004.

Fidelity and other members of its group, the parent company of which is Fidelity International Limited, manage money on behalf of UCITS and other funds and clients. We have a significant presence in Europe with management companies and investment firms in France, Germany, Ireland, Luxembourg and the United Kingdom. Our group also contains management companies and investment firms incorporated in other jurisdictions, including Australia, Bermuda, Hong Kong, India, Japan, South Korea and Taiwan.

We have primarily focussed on the part of the advice which deals with the notification of major shareholdings. We support the revised advice and the arguments put forward by CESR (unanimously or in the majority). Where CESR left an open question, or we have arguments to put forward that were not in our original response, our comments are in the attached appendix.

If you would like to discuss any of the points that we make then please call the writer, Matthew Heath, on +44 (0) 1732 777438.

Yours sincerely

A handwritten signature in blue ink that reads "Matthew Heath".

Matthew Heath
Director, Corporate Advice and Support

¹ Fidelity Investments is the world's largest fund manager, source: 2004 FTfm/Mercer league table, based on worldwide assets under management as at Dec. 2002. Resources and assets as at 31.12.04 include those of Fidelity International Limited, a Bermuda company and its subsidiaries and FMR Corp., a US company and affiliate and its subsidiaries.

Fidelity's response to CESR's advice on possible implementing measures of the Transparency Directive

Appendix

Question 22	
	We support the proposed approach in relation to Article 12(1)(d) as a pragmatic solution that meets the underlying Directive requirement for disclosure only of shareholders exceeding the minimum notifiable threshold.
Question 23	
	When a holding falls below the minimum notifiable threshold there should be no requirement to disclose the resulting holding. There is a difference between a holding of 4.9% and 1.5 %, for example, but this is not a difference that the Directive considers important or the notifiable threshold would have been set lower.
Questions 24 & 25	
	We do not share the concern that the standard form should have a method of identifying the issuer that does not rely just on its name. We use standard identifier's for internal purposes where necessary to verify the information that we are including in a filing but our systems do not permit this to be automatically included on the filing itself. We make a large number of regulatory filings every day, averaging over 200 per month in aggregate across all EU member states. Our preference would be for CESR to recognise that holders of shares and voting rights have a duty to make accurate filings and to give advice to the effect that holders should adopt their own methods to satisfy this duty.