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STATES
SECURITIES COMMISSION
C. 20549

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**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**

MAR 01 2013

SEC FILE NUMBER
8-08775

FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/12 AND ENDING 12/31/12
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER-DEALER:
Fidelity Distributors Corporation
ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

OFFICIAL USE ONLY
FIRM I.D. NO.

245 Summer Street

(No. and Street)

Boston

Massachusetts

02210

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT
Anthony Castella (201) 915-7387

(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

PricewaterhouseCooper LLP

(Name - if individual, state last, first, middle name)

300 Madison Avenue

NY

NY

10017

(Address)

(City)

(State)

(Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

SEC 1410 (06-02)

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AFFIRMATION

We, SCOTT COUTO and HARRIS KOMISHANE, affirm that, to the best of our knowledge and belief, the accompanying financial statements and schedules pertaining to Fidelity Distributors Corporation for the year ended December 31, 2012, are true and correct. We further affirm that neither the Company nor any officer or director has any proprietary interest in any account classified solely as that of a customer.

Scott Couto 2.28.13
Signature Date

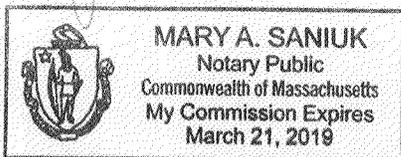
President
Title

Harris Komishane 2/28/13
Signature Date

Senior Vice President and Chief Financial Officer
Title

Subscribed and Sworn to before me
on this 28th day of February, 2013

Mary A. Saniuk
Notary Public



February 28, 2013

Securities and Exchange Commission
Registration Branch
Mail Stop 8031
100 F Street, NE
Washington DC 20549
Attn: Thomas McGowan

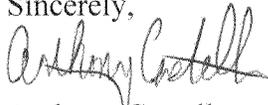


Dear Mr. McGowan:

In order that we may comply with your filing requirements, I enclose the following reports:

- 2 copies Financial Statements and Supplemental Schedules for the year ended December 31, 2012 together with an Independent Auditor's Report dated February 28, 2013.
- 2 copies Statement of Financial Condition as of December 31, 2012, together with an Independent Auditor's Report dated February 28, 2013.
- 2 copies Independent Accountants' Report on Applying Agreed-Upon Procedures in connection with our Transitional Assessment Reconciliation (Form SIPC-7T) which we are providing in accordance with Rule 17a-5(e)(4) under the Securities Exchange Act of 1934.
- 2 copies Report on Internal Control from our Independent Auditors.

Sincerely,



Anthony Castella
VP Brokerage Accounting

Enclosures

Please sign below to acknowledge receipt of this transmittal and return it in the enclosed envelope.

Signature

FIDELITY DISTRIBUTORS CORPORATION
(SEC I.D.No. 8-08775)

STATEMENT OF FINANCIAL CONDITION
AS OF DECEMBER 31, 2012
AND
INDEPENDENT AUDITOR'S REPORT





FIDELITY DISTRIBUTORS CORPORATION
(SEC I.D.No. 8-08775)

STATEMENT OF FINANCIAL CONDITION
AS OF DECEMBER 31, 2012
AND
INDEPENDENT AUDITOR'S REPORT

Filed pursuant to Rule 17a-5(e)(3) under the
Securities Exchange Act of 1934
as a PUBLIC DOCUMENT.



Independent Auditor's Report

To the Stockholder of Fidelity Distributors Corporation

We have audited the accompanying statement of financial condition of Fidelity Distributors Corporation as of December 31, 2012.

Management's Responsibility for the Statement of Financial Condition

Management is responsible for the preparation and fair presentation of the statement of financial condition in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the statement of financial condition that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the statement of financial condition based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statement of financial condition is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the statement of financial condition. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the statement of financial condition, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the statement of financial condition in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the statement of financial condition. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying statement of financial condition presents fairly, in all material respects, the financial position of Fidelity Distributors Corporation at December 31, 2012 in accordance with accounting principles generally accepted in the United States of America.

A handwritten signature in cursive script that reads "PricewaterhouseCoopers LLP".

February 28, 2013

FIDELITY DISTRIBUTORS CORPORATION
STATEMENT OF FINANCIAL CONDITION
AS OF DECEMBER 31, 2012
(Dollars in thousands, except share data)

ASSETS	
Securities owned - at fair value	\$ 122,672
Receivables:	
Brokers and dealers	214,664
Mutual funds	260,422
Total Receivables	<u>475,086</u>
Deferred dealer concessions, net	17,660
Other assets	96
Total assets	<u><u>\$ 615,514</u></u>
 LIABILITIES	
Payables:	
Brokers and dealers	\$ 295,238
Mutual funds	214,640
Total liabilities	<u>509,878</u>
 COMMITMENTS AND CONTINGENCIES	
 STOCKHOLDER'S EQUITY	
Preferred stock, 5% non cumulative, \$100 par value; authorized 5,000 shares; 4,750 shares issued and outstanding	475
Common stock, \$1 par value; authorized 1,000,000 shares; 1,061 shares issued and outstanding	1
Additional paid-in capital	129,956
Retained earnings	19,181
Total stockholder's equity	<u>149,613</u>
Less: Net receivable from Parent	<u>(43,977)</u>
Total stockholder's equity, net	<u>105,636</u>
Total liabilities and stockholder's equity	<u><u>\$ 615,514</u></u>

The accompanying notes are an integral part of the statement of financial condition.

FIDELITY DISTRIBUTORS CORPORATION
NOTES TO STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2012
(Dollars in thousands)

A. Organization:

Fidelity Distributors Corporation (the "Company") is a registered broker-dealer with the Securities and Exchange Commission and a member of the Financial Industry Regulatory Authority. The Company is a wholly owned subsidiary of FMR LLC (the "Parent"). The Company is the principal underwriter and distributor of the Fidelity mutual funds managed by Fidelity Management & Research Company ("FMR Co."), an affiliate and registered investment advisor under the Securities and Exchange Commission Investment Advisers Act of 1940. The Company is also the sponsor of the Fidelity Destiny plans.

The Company generates all of its marketing and distribution services revenue by providing services to FMR Co. Fees for such services are based on costs incurred plus a mark-up and as agreed between the parties. The remainder of the Company's revenue is generated by mutual fund distribution fees from the Fidelity mutual funds. This revenue is asset based and is based on a percentage of the average net assets in those funds; as a result, the Company's revenues may fluctuate based on the performance of financial markets.

B. Summary of Significant Accounting Policies:

Basis of Presentation and Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities. Actual results could differ from the estimates included in the statement of financial condition.

Cash

The Company defines cash as cash on hand, demand deposits, and time deposits with maturities less than 60 days. The Company's policy is to invest excess cash into money market funds which are classified as securities owned, at fair value, in the statement of financial condition.

Receivables from and Payables to Brokers and Dealers and Mutual Funds

Included in the receivables from brokers and dealers and mutual funds are mutual funds' purchase and redemption trades, measured at transaction value, that are unsettled at December 31, 2012. The receivables from brokers and dealers includes \$7,082 receivable from an affiliate. The receivable from mutual funds of \$260,422 on the statement of financial condition is receivable from mutual fund companies managed by an affiliate.

Included in the payables to brokers and dealers and mutual funds are mutual funds' purchase and redemption trades, measured at transaction value, that are unsettled at December 31, 2012. The payables to brokers and dealers includes \$13,093 payable to an affiliate. The payable to mutual funds of \$214,640 on the statement of financial condition is payable to mutual fund companies managed by an affiliate.

Fair Value Measurements

The Company categorizes the financial assets and liabilities carried at fair value in its statement of financial condition based upon a three-level valuation hierarchy. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable

FIDELITY DISTRIBUTORS CORPORATION
NOTES TO STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2012
(Dollars in thousands)

B. Summary of Significant Accounting Policies, continued:

valuation inputs (Level 3). If the inputs used to measure a financial asset or liability cross different levels of the hierarchy, categorization is based on the lowest level input that is significant to the fair value measurement. Management's assessment of the significance of a particular input to the overall fair value measurement of a financial asset or liability requires judgment, and considers factors specific to the asset or liability. The three levels are described below:

- Level 1 - Financial assets and liabilities whose values are based on unadjusted quoted prices for identical assets and liabilities in an active market.
- Level 2 - Financial assets and liabilities whose values are based on quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the asset or liability.
- Level 3 - Financial assets and liabilities whose values are based on prices or valuation techniques that require inputs that are both unobservable in the market and significant to the overall fair value measurement. These inputs reflect management's judgment about the assumptions that a market participant would use in pricing the asset or liability, and are based on the best available information, some of which is internally developed.

Deferred Dealer Concessions

Deferred dealer concessions include sales commissions paid to financial intermediaries in connection with the sale of certain Fidelity mutual funds which are deferred and amortized on a straight-line basis, over estimated holding periods generally ranging from one to five years. In the event that the underlying mutual fund shares to which the deferred sale charge unit relates are redeemed earlier than the estimated life, the unamortized balance is fully charged against income.

Deferred dealer concessions of \$17,660 are reported net of accumulated amortization of \$90,879 as of December 31, 2012 in the statement of financial condition.

Management evaluates deferred dealer concessions for impairment when events or changes in circumstances indicate that the respective carrying value may not be recoverable. When the carrying value of deferred dealer concessions exceed the sum of the expected undiscounted cash flows from their use, the carrying value is reduced to fair value and expense is recorded. The Company did not record an impairment in 2012.

Income Taxes

The Parent allocates to the Company a direct intercompany charge equivalent to taxes due on income as if it were filing a tax return on a separate return basis. Deferred income taxes are allocated to the Company by the Parent as a direct charge and arise from the differences in the timing of recognition of revenue and expense for tax and financial reporting purposes. This amount has been offset with the receivable from Parent on the statement of financial condition. The Company is subject to tax in certain state and local jurisdictions.

FIDELITY DISTRIBUTORS CORPORATION
NOTES TO STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2012
(Dollars in thousands)

B. Summary of Significant Accounting Policies, continued:

The Company applies a more-likely-than-not recognition threshold for all tax uncertainties as the Company is permitted to recognize only those tax benefits that have a greater than 50% likelihood of being sustained upon examination by the relevant taxing authorities.

Recent Accounting Pronouncements

Fair Value Measurements

On January 1, 2012, the Company adopted updated requirements for expanded fair-value disclosures as issued by the Financial Accounting Standards Board (the "FASB"). The update amends certain fair value measurement guidance and expands disclosure requirements primarily for fair value measurements utilizing significant unobservable inputs (Level 3) and items not measured at fair value but for which fair value must be disclosed. Since these new requirements only impact disclosures, adoption did not affect the Company's statement of financial condition.

Disclosures about Offsetting Assets and Liabilities

In December 2012, the FASB issued authoritative guidance related to balance sheet offsetting. The new guidance requires disclosures about assets and liabilities that are offset or have the potential to be offset. These disclosures are intended to address differences in the asset and liability offsetting requirements under U.S. GAAP and International Financial Reporting Standards ("IFRS"). This new guidance will be effective for annual reporting periods beginning January 1, 2013, with retrospective application required. Since these amended principles require only additional disclosures, adoption will not affect the Company's statement of financial condition.

C. Securities Owned – at Fair Value:

Securities owned consist of shares held in a Fidelity money market mutual fund. Securities owned are measured at fair value on a recurring basis. The fair value of securities owned is determined using published net asset values. At December 31, 2012, all of the Company's securities owned are measured at fair value and are classified as Level 1 within the fair value hierarchy. There were no transfers into or out of Level 1 of the fair value hierarchy during the year.

D. Commitments and Contingencies:

In the normal course of business, the Company has been named as a defendant in several legal actions and lawsuits and is subject to regulatory inquiries. The Company reviews such matters on a case by case basis and establishes reserves if a loss is probable and the amount of the loss can be reasonably estimated. While the outcome of litigation is inherently uncertain, it is the opinion of management, after consultation with legal counsel, that its resolution of such actions will not have a material adverse effect on the Company's statement of financial condition.

E. Stockholder's Equity:

During 2012, the Company declared and recorded non-cash dividends in the amount of \$28,887. The total dividend recorded of \$28,887 was settled via the intercompany account with the Parent.

FIDELITY DISTRIBUTORS CORPORATION
NOTES TO STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2012
(Dollars in thousands)

F. Charge Equivalent to Taxes on Income:

The Parent is subject to flow-through tax treatment under Subchapter S of the Internal Revenue Code which generally allows taxable income, deductions and credits to flow directly to its shareholders. The Company is also subject to taxation under the Subchapter S rules.

At December 31, 2012, the Company's net deferred tax assets were \$711 and are included in the net receivable from Parent. The primary source of temporary differences which comprise the net deferred tax asset is dealer concessions.

The Company files income tax returns both as part of the Parent's U.S. federal and state income tax return filings as well as on a separate company basis. With limited exceptions, the Parent's returns that include the Company's activity are no longer subject to federal tax examinations for years before 2007 or state and local examinations for years before 2003.

G. Net Capital Requirement:

The Company is subject to the Securities and Exchange Commission's Uniform Net Capital Rule 15c3-1 (the "Rule"). The Company has elected to utilize the alternative method permitted by the Rule which requires that minimum net capital, as defined, be the greater of \$250 or 2% of aggregate debit items arising from customer transactions. At December 31, 2012, the Company had net capital of \$53,771 of which \$53,521 was in excess of its required net capital of \$250.

H. Transactions with Affiliated Companies:

The Company recorded a non-cash dividend of \$28,887 to the Parent during the year ended December 31, 2012. This amount has been offset against the receivable from Parent on the statement of financial condition.

All intercompany transactions with the Parent and affiliated companies are charged or credited through an intercompany account with the Parent and may not be the same as those which would otherwise exist or result from agreements and transactions among unaffiliated third parties. The Company generally receives credit for the collection of its receivables and is charged for the settlement of its liabilities through its intercompany account with the Parent. Under a master netting agreement with the Parent, the Company may offset assets and liabilities which will ultimately be settled by the Parent on behalf of the Company against the Company's receivable from the Parent. In accordance with the agreement, net liabilities of approximately \$711 have been offset against the receivable from the Parent.

I. Concentration of Credit Risk:

The Company is engaged in various mutual fund brokerage activities in which counterparties primarily include brokers, dealers and other financial institutions. In the event counterparties do not fulfill their obligations, the Company may be exposed to risk.

FIDELITY DISTRIBUTORS CORPORATION
NOTES TO STATEMENT OF FINANCIAL CONDITION
DECEMBER 31, 2012
(Dollars in thousands)

J. Subsequent Events:

The Company has performed an evaluation of events that have occurred subsequent to December 31, 2012 and through February 28, 2013 (the date this report was available to be issued). There have been no material subsequent events that occurred during such period that would require disclosure in this report or would be required to be recognized in the statement of financial condition as of December 31, 2012.



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