

# FINANCIAL DISCLOSURE REPORT FOR CALENDAR YEAR 2011

Report Required by the Ethics  
in Government Act of 1978  
(5 U.S.C. app. §§ 101-111)

|                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                          |                                                                  |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|
| <b>1. Person Reporting</b> (last name, first, middle initial)<br><br>Gates, James E.                                                                                                                                             | <b>2. Court or Organization</b><br><br>N.C.--Eastern District                                                                                                                                                                                                                            | <b>3. Date of Report</b><br><br>05/11/2012                       |
| <b>4. Title</b> (Article III judges indicate active or senior status; magistrate judges indicate full- or part-time)<br><br>Magistrate Judge (full-time)                                                                         | <b>5a. Report Type</b> (check appropriate type)<br><input type="checkbox"/> Nomination <input type="checkbox"/> Date<br><input type="checkbox"/> Initial <input checked="" type="checkbox"/> Annual <input type="checkbox"/> Final<br><b>5b.</b> <input type="checkbox"/> Amended Report | <b>6. Reporting Period</b><br><br>01/01/2011<br>to<br>12/31/2011 |
| <b>7. Chambers or Office Address</b><br><br>Terry Sanford Federal Building and Courthouse<br>310 New Bern Avenue<br>Raleigh, NC 27601                                                                                            |                                                                                                                                                                                                                                                                                          |                                                                  |
| <p><b>IMPORTANT NOTES:</b> The instructions accompanying this form must be followed. Complete all parts, checking the <b>NONE</b> box for each part where you have no reportable information. Insert signature on last page.</p> |                                                                                                                                                                                                                                                                                          |                                                                  |

## I. POSITIONS. (Reporting individual only; see pp. 9-13 of filing instructions.)

☐ NONE (No reportable positions.)

POSITION

NAME OF ORGANIZATION/ENTITY

|                              |                                                            |
|------------------------------|------------------------------------------------------------|
| 1. Member of Section Council | North Carolina Bar Association, Dispute Resolution Section |
| 2.                           |                                                            |
| 3.                           |                                                            |
| 4.                           |                                                            |
| 5.                           |                                                            |

## II. AGREEMENTS. (Reporting individual only; see pp. 14-16 of filing instructions.)

☒ NONE (No reportable agreements.)

DATE

PARTIES AND TERMS

|    |  |
|----|--|
| 1. |  |
| 2. |  |
| 3. |  |

**FINANCIAL DISCLOSURE REPORT**

Page 2 of 8

Name of Person Reporting

Gates, James E.

Date of Report

05/11/2012

**III. NON-INVESTMENT INCOME.** *(Reporting individual and spouse; see pp. 17-24 of filing instructions.)***A. Filer's Non-Investment Income**☐ NONE *(No reportable non-investment income.)*

| <u>DATE</u> | <u>SOURCE AND TYPE</u>                                     | <u>INCOME</u><br>(yours, not spouse's) |
|-------------|------------------------------------------------------------|----------------------------------------|
| 1. 2011     | Campbell University Law School--Teaching (spring semester) | \$2,500.00                             |
| 2.          |                                                            |                                        |
| 3.          |                                                            |                                        |
| 4.          |                                                            |                                        |

**B. Spouse's Non-Investment Income -** *If you were married during any portion of the reporting year, complete this section.**(Dollar amount not required except for honoraria.)*☐ NONE *(No reportable non-investment income.)*

| <u>DATE</u> | <u>SOURCE AND TYPE</u>                        |
|-------------|-----------------------------------------------|
| 1. 2011     | North Raleigh United Methodist Church--salary |
| 2.          |                                               |
| 3.          |                                               |
| 4.          |                                               |

**IV. REIMBURSEMENTS** -- *transportation, lodging, food, entertainment.**(Includes those to spouse and dependent children; see pp. 25-27 of filing instructions.)*☒ NONE *(No reportable reimbursements.)*

| <u>SOURCE</u> | <u>DATES</u> | <u>LOCATION</u> | <u>PURPOSE</u> | <u>ITEMS PAID OR PROVIDED</u> |
|---------------|--------------|-----------------|----------------|-------------------------------|
| 1.            |              |                 |                |                               |
| 2.            |              |                 |                |                               |
| 3.            |              |                 |                |                               |
| 4.            |              |                 |                |                               |
| 5.            |              |                 |                |                               |

**FINANCIAL DISCLOSURE REPORT**

Page 3 of 8

Name of Person Reporting

Gates, James E.

Date of Report

05/11/2012

**V. GIFTS.** *(Includes those to spouse and dependent children; see pp. 28-31 of filing instructions.)*NONE *(No reportable gifts.)*

| <u>SOURCE</u> | <u>DESCRIPTION</u> | <u>VALUE</u> |
|---------------|--------------------|--------------|
| 1.            |                    |              |
| 2.            |                    |              |
| 3.            |                    |              |
| 4.            |                    |              |
| 5.            |                    |              |

**VI. LIABILITIES.** *(Includes those of spouse and dependent children; see pp. 32-33 of filing instructions.)*NONE *(No reportable liabilities.)*

| <u>CREDITOR</u> | <u>DESCRIPTION</u> | <u>VALUE CODE</u> |
|-----------------|--------------------|-------------------|
| 1.              |                    |                   |
| 2.              |                    |                   |
| 3.              |                    |                   |
| 4.              |                    |                   |
| 5.              |                    |                   |

# FINANCIAL DISCLOSURE REPORT

Page 4 of 8

Name of Person Reporting

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Date of Report

05/11/2012

## VII. INVESTMENTS and TRUSTS – income, value, transactions (Includes those of spouse and dependent children; see pp. 34-60 of filing instructions.)

☐ NONE (No reportable income, assets, or transactions.)

| A.<br>Description of Assets<br>(including trust assets)<br><br>Place "(X)" after each asset<br>exempt from prior disclosure | B.<br>Income during<br>reporting period |                                               | C.<br>Gross value at end<br>of reporting period |                                           | D.<br>Transactions during reporting period      |                         |                                 |                                |                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------------|-------------------------------------------------|-------------------------------------------|-------------------------------------------------|-------------------------|---------------------------------|--------------------------------|-------------------------------------------------------------------|
|                                                                                                                             | (1)<br>Amount<br>Code 1<br>(A-H)        | (2)<br>Type (e.g.,<br>div., rent,<br>or int.) | (1)<br>Value<br>Code 2<br>(J-P)                 | (2)<br>Value<br>Method<br>Code 3<br>(Q-W) | (1)<br>Type (e.g.,<br>buy, sell,<br>redemption) | (2)<br>Date<br>mm/dd/yy | (3)<br>Value<br>Code 2<br>(J-P) | (4)<br>Gain<br>Code 1<br>(A-H) | (5)<br>Identity of<br>buyer/seller<br>(if private<br>transaction) |
| 1. Franklin Templeton Foreign Fund A                                                                                        |                                         | None                                          |                                                 |                                           | Sold                                            | 01/10/11                | K                               |                                |                                                                   |
| 2. Capital One Bank Accounts (Y)                                                                                            |                                         |                                               |                                                 |                                           |                                                 |                         |                                 |                                |                                                                   |
| 3. UBS Bank Account                                                                                                         | A                                       | Interest                                      | L                                               | T                                         |                                                 |                         |                                 |                                |                                                                   |
| 4. Fundamental Investors (American Funds)                                                                                   | A                                       | Dividend                                      | L                                               | T                                         |                                                 |                         |                                 |                                |                                                                   |
| 5. Growth Fund of America (American Funds)                                                                                  | A                                       | Dividend                                      | L                                               | T                                         |                                                 |                         |                                 |                                |                                                                   |
| 6. Investment Co. of America (American Funds)                                                                               | B                                       | Dividend                                      | L                                               | T                                         |                                                 |                         |                                 |                                |                                                                   |
| 7. New Economy Fund (American Funds)                                                                                        | A                                       | Dividend                                      | L                                               | T                                         |                                                 |                         |                                 |                                |                                                                   |
| 8. New Perspective Fund (American Funds)                                                                                    | A                                       | Dividend                                      | K                                               | T                                         |                                                 |                         |                                 |                                |                                                                   |
| 9. Small Cap World Fund (American Funds)                                                                                    | A                                       | Dividend                                      | J                                               | T                                         |                                                 |                         |                                 |                                |                                                                   |
| 10. Washington Mutual Investors Fund (American Funds)                                                                       | B                                       | Dividend                                      | L                                               | T                                         |                                                 |                         |                                 |                                |                                                                   |
| 11. I Shares S&P Small Cap 600 Value Index Fund                                                                             | A                                       | Dividend                                      | K                                               | T                                         |                                                 |                         |                                 |                                |                                                                   |
| 12. I Shares S&P Small Cap 600 Growth Index Fund                                                                            | A                                       | Dividend                                      | K                                               | T                                         |                                                 |                         |                                 |                                |                                                                   |
| 13. I Shares S&P Mid Cap 400 Value Index Fund                                                                               | A                                       | Dividend                                      | K                                               | T                                         |                                                 |                         |                                 |                                |                                                                   |
| 14. I Shares S&P Mid Cap 400 Growth Index Fund                                                                              | A                                       | Dividend                                      | K                                               | T                                         |                                                 |                         |                                 |                                |                                                                   |
| 15. U.S. Treasury (I bonds, notes)                                                                                          | A                                       | Interest                                      | K                                               | T                                         | Redeemed (part)                                 | 06/09/11                | K                               |                                |                                                                   |
| 16.                                                                                                                         |                                         |                                               |                                                 |                                           | Redeemed (part)                                 | 06/09/11                | J                               |                                |                                                                   |
| 17. Vanguard Tax-Managed Growth & Income Fund                                                                               | A                                       | Dividend                                      | L                                               | T                                         |                                                 |                         |                                 |                                |                                                                   |

|                                                  |                                                                                       |                                                        |                                                                                           |                                                              |                         |
|--------------------------------------------------|---------------------------------------------------------------------------------------|--------------------------------------------------------|-------------------------------------------------------------------------------------------|--------------------------------------------------------------|-------------------------|
| 1. Income Gain Codes:<br>(See Columns B1 and D4) | A = \$1,000 or less<br>F = \$50,001 - \$100,000                                       | B = \$1,001 - \$2,500<br>G = \$100,001 - \$1,000,000   | C = \$2,501 - \$5,000<br>H1 = \$1,000,001 - \$5,000,000                                   | D = \$5,001 - \$15,000<br>H2 = More than \$5,000,000         | E = \$15,001 - \$50,000 |
| 2. Value Codes<br>(See Columns C1 and D3)        | J = \$15,000 or less<br>N = \$250,001 - \$500,000<br>P3 = \$25,000,001 - \$50,000,000 | K = \$15,001 - \$50,000<br>O = \$500,001 - \$1,000,000 | L = \$50,001 - \$100,000<br>P1 = \$1,000,001 - \$5,000,000<br>P4 = More than \$50,000,000 | M = \$100,001 - \$250,000<br>P2 = \$5,000,001 - \$25,000,000 |                         |
| 3. Value Method Codes<br>(See Column C2)         | Q = Appraisal<br>U = Book Value                                                       | R = Cost (Real Estate Only)<br>V = Other               | S = Assessment<br>W = Estimated                                                           | T = Cash Market                                              |                         |

# FINANCIAL DISCLOSURE REPORT

Page 5 of 8

Name of Person Reporting

Gates, James E.

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05/11/2012

## VII. INVESTMENTS and TRUSTS -- income, value, transactions (Includes those of spouse and dependent children; see pp. 34-60 of filing instructions.)

☐ NONE (No reportable income, assets, or transactions.)

| A.<br>Description of Assets<br>(including trust assets)<br><br>Place "(X)" after each asset<br>exempt from prior disclosure | B.<br>Income during<br>reporting period |                                               | C.<br>Gross value at end<br>of reporting period |                                           | D.<br>Transactions during reporting period      |                         |                                 |                                |                                                                   |
|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------------|-------------------------------------------------|-------------------------------------------|-------------------------------------------------|-------------------------|---------------------------------|--------------------------------|-------------------------------------------------------------------|
|                                                                                                                             | (1)<br>Amount<br>Code 1<br>(A-H)        | (2)<br>Type (e.g.,<br>div., rent,<br>or int.) | (1)<br>Value<br>Code 2<br>(J-P)                 | (2)<br>Value<br>Method<br>Code 3<br>(Q-W) | (1)<br>Type (e.g.,<br>buy, sell,<br>redemption) | (2)<br>Date<br>mm/dd/yy | (3)<br>Value<br>Code 2<br>(J-P) | (4)<br>Gain<br>Code 1<br>(A-H) | (5)<br>Identity of<br>buyer/seller<br>(if private<br>transaction) |

|                                                   |   |          |   |   |             |          |   |  |  |
|---------------------------------------------------|---|----------|---|---|-------------|----------|---|--|--|
| 18. Vanguard Prime Money Market Fund              | A | Dividend |   |   | Sold        | 04/12/11 | J |  |  |
| 19. Vanguard 500 Index Fund                       | B | Dividend | L | T |             |          |   |  |  |
| 20. Vanguard Small Cap Index Fund                 | A | Dividend | K | T |             |          |   |  |  |
| 21. Vanguard Mid Cap Index Fund                   | A | Dividend | K | T |             |          |   |  |  |
| 22. Vanguard Total International Stock Index Fund | A | Interest | J | T |             |          |   |  |  |
| 23. Vanguard Short Term Invest. Grade Bond Fund   | B | Dividend | L | T | Sold (part) | 09/26/11 | J |  |  |
| 24. Vanguard Balanced Index Fund                  | A | Dividend | J | T | Sold (part) | 09/28/11 | J |  |  |
| 25. Pimco Total Return Fund                       | A | Dividend |   |   | Sold (part) | 01/24/11 | J |  |  |
| 26.                                               |   |          |   |   | Sold        | 02/15/11 | L |  |  |
| 27. Delaware Diversified Income Fund              | A | Dividend |   |   | Sold        | 02/15/11 | L |  |  |
| 28. Columbia Strategic Income Fund                | A | Dividend |   |   | Sold        | 02/15/11 | K |  |  |
| 29. Oppenheimer International Bond Fund           | A | Dividend | J | T | Buy (add'l) | 06/21/11 | J |  |  |
| 30. Franklin Templeton Global Bond Fund           | A | Dividend | J | T | Buy (add'l) | 06/21/11 | J |  |  |
| 31. Goldman Sachs Bank Account                    | B | Interest |   |   | Sold        | 12/27/11 | K |  |  |
| 32. Flagstar Bank Account                         | A | Interest |   |   | Sold        | 01/31/11 | K |  |  |
| 33. Sallie Mae Bank                               | A | Interest |   |   | Sold        | 02/07/11 | K |  |  |
| 34. Delaware Limited Term Bond Fund               | C | Dividend | M | T | Buy         | 02/16/11 | L |  |  |

|                                                  |                                                                                       |                                                        |                                                                                           |                                                              |                         |
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| 2. Value Codes<br>(See Columns C1 and D3)        | J = \$15,000 or less<br>N = \$250,001 - \$500,000<br>P3 = \$25,000,001 - \$50,000,000 | K = \$15,001 - \$50,000<br>O = \$500,001 - \$1,000,000 | L = \$50,001 - \$100,000<br>P1 = \$1,000,001 - \$5,000,000<br>P4 = More than \$50,000,000 | M = \$100,001 - \$250,000<br>P2 = \$5,000,001 - \$25,000,000 |                         |
| 3. Value Method Codes<br>(See Column C2)         | Q = Appraisal<br>U = Book Value                                                       | R = Cost (Real Estate Only)<br>V = Other               | S = Assessment<br>W = Estimated                                                           | T = Cash Market                                              |                         |

# FINANCIAL DISCLOSURE REPORT

Page 6 of 8

Name of Person Reporting

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|-----------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------------|-------------------------------------------------|-------------------------------------------|-------------------------------------------------|-------------------------|---------------------------------|--------------------------------|-------------------------------------------------------------------|
|                                                                                                                             | (1)<br>Amount<br>Code 1<br>(A-H)        | (2)<br>Type (e.g.,<br>div., rent,<br>or int.) | (1)<br>Value<br>Code 2<br>(J-P)                 | (2)<br>Value<br>Method<br>Code 3<br>(Q-W) | (1)<br>Type (e.g.,<br>buy, sell,<br>redemption) | (2)<br>Date<br>mm/dd/yy | (3)<br>Value<br>Code 2<br>(J-P) | (4)<br>Gain<br>Code 1<br>(A-H) | (5)<br>Identity of<br>buyer/seller<br>(if private<br>transaction) |

|                                             |   |          |   |   |                |          |   |  |  |
|---------------------------------------------|---|----------|---|---|----------------|----------|---|--|--|
| 35.                                         |   |          |   |   | Buy<br>(add'l) | 06/21/11 | K |  |  |
| 36.                                         |   |          |   |   | Sold<br>(part) | 07/22/11 | J |  |  |
| 37.                                         |   |          |   |   | Sold<br>(part) | 10/24/11 | J |  |  |
| 38. RS Low Duration Bond Fund               | B | Dividend | M | T | Buy            | 02/16/11 | J |  |  |
| 39.                                         |   |          |   |   | Buy<br>(add'l) | 06/21/11 | K |  |  |
| 40. Euro Pacific Bond Fund (American Funds) | A | Dividend | J | T | Buy            | 02/16/11 | K |  |  |

|                                                  |                                                                                       |                                                        |                                                                                           |                                                              |                         |
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# FINANCIAL DISCLOSURE REPORT

Page 7 of 8

Name of Person Reporting

Gates, James E.

Date of Report

05/11/2012

## VIII. ADDITIONAL INFORMATION OR EXPLANATIONS. *(Indicate part of report.)*

Part I., page 1. Although it is not entirely clear that membership on the Council of the Dispute Resolution Section of the North Carolina Bar Association is reportable, it is listed out of an abundance of caution.

Part III.B. page 2, line 1. [REDACTED] income paid Jan. through May and Sept. through Dec. in reporting period.

Part VII. page 4, line 2. Capital One Bank Accounts no longer listed because that investment was held [REDACTED] who was longer a dependent in 2011.

Part VII. page 5, line 24. Vanguard Balanced Index Fund was inadvertently omitted from the report for 2010, but was identified in the course of preparing the instant report and is listed in the amended report for 2010, filed immediately before the instant report.

# FINANCIAL DISCLOSURE REPORT

Page 8 of 8

Name of Person Reporting

Gates, James E.

Date of Report

05/11/2012

## IX. CERTIFICATION.

I certify that all information given above (including information pertaining to my spouse and minor or dependent children, if any) is accurate, true, and complete to the best of my knowledge and belief, and that any information not reported was withheld because it met applicable statutory provisions permitting non-disclosure.

I further certify that earned income from outside employment and honoraria and the acceptance of gifts which have been reported are in compliance with the provisions of 5 U.S.C. app. § 501 et. seq., 5 U.S.C. § 7353, and Judicial Conference regulations.

Signature: **s/ James E. Gates**

NOTE: ANY INDIVIDUAL WHO KNOWINGLY AND WILLFULLY FALSIFIES OR FAILS TO FILE THIS REPORT MAY BE SUBJECT TO CIVIL AND CRIMINAL SANCTIONS (5 U.S.C. app. § 104)

Committee on Financial Disclosure  
Administrative Office of the United States Courts  
Suite 2-301  
One Columbus Circle, N.E.  
Washington, D.C. 20544