

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-17141; 3-17142; 3-17143**

**SEC Charges Five Individuals With Insider Trading in Stock of E-Commerce Company  
Prior to Acquisition by eBay**

**Mar. 1, 2016** – The Securities and Exchange Commission today instituted settled administrative proceedings against five individuals for insider trading in advance of eBay’s acquisition of GSI Commerce, Inc. (“GSI”) based on confidential information misappropriated from a close friend with knowledge of the deal.

The SEC’s investigation found that the wife of an insider at GSI became aware of the proposed acquisition and shared the news with her close friend, Patricia Metzler, in the weeks leading up to the announcement. Patricia Metzler then breached a duty of trust and confidence owed to her friend when she traded and tipped others to trade in GSI stock. Patricia tipped her husband, Daniel Metzler, her father, Donald Zajick, and her friend, Lawrence Gincel. Daniel also went on to tip his friend, who cooperated in the investigation and had his penalty reduced to half the amount of his trading profits. Following the public announcement of the acquisition, GSI’s stock price rose by over 50 percent and these five individuals profited more than \$160,000. They have agreed to pay approximately \$384,000 combined to settle the charges, which represents disgorgement of their illicit profits plus interest and penalties.

The SEC previously charged a number of individuals with insider trading in connection with the acquisition of GSI in [April 2014](#) and again earlier [this year](#). In those actions, as in today’s settlements, individuals who cooperated during the staff’s investigation received the full range of credit for their cooperation, from decreased penalties to the first non-prosecution agreement with an individual, while others paid double or triple penalties. The investigation has resulted in settlements with 13 individuals, plus an additional three against whom the Commission is [currently litigating](#) in the Central District of California.

The SEC’s investigation was conducted by Jessica Medina, David A. Becker, and Jennifer M. Clark and supervised by Jeffrey Finnell. The SEC appreciates the assistance of the Financial Industry Regulatory Authority.

**See also:**

- [SEC order against Patricia Zajick Metzler, Daniel P. Metzler, and Donald C. Zajick](#)
- [SEC order against Lawrence M. Gincel](#)
- [SEC order against Craig N. Salamone](#)