

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 100978 / September 9, 2024**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-22087**

**In the Matter of**

**MATTHEW P. FORLANO**

**Respondent.**

**ORDER INSTITUTING CEASE-AND-  
DESIST PROCEEDINGS PURSUANT TO  
SECTION 21C OF THE SECURITIES  
EXCHANGE ACT OF 1934, MAKING  
FINDINGS, AND IMPOSING A CEASE-  
AND-DESIST ORDER**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 21C of the Securities Exchange Act of 1934 (“Exchange Act”), against Matthew P. Forlano (“Forlano” or “Respondent”).

**II.**

In anticipation of the institution of these proceedings, Respondent has submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, which are admitted, and except as provided herein in Section V, Respondent consents to the entry of this Order Instituting Cease-And-Desist Proceedings Pursuant To Section 21C Of The Securities Exchange Act Of 1934, Making Findings, And Imposing A Cease-And-Desist Order (“Order”), as set forth below.

**III.**

On the basis of this Order and Respondent’s Offer, the Commission finds<sup>1</sup> that:

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<sup>1</sup> The findings herein are made pursuant to Respondent’s Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

## **Summary**

1. This proceeding concerns insider trading by Forlano in the securities of Maxar Technologies, Inc. (“Maxar”) based on material nonpublic information provided to him by his nephew, Stephen A. Forlano Jr. (“Forlano Jr.”). Forlano Jr. had received the material nonpublic information from his friend Anthony Viggiano (“Viggiano”) who was employed at a global investment bank (the “Investment Bank”).<sup>2</sup>

2. Viggiano, in connection with his employment at the Investment Bank, was notified about a potential acquisition of Maxar by at least November 15, 2022. That same day, Viggiano tipped Forlano Jr. about the acquisition. Forlano Jr., in turn, tipped Forlano. Between December 2 and December 15, 2022, Forlano purchased Maxar securities in his brokerage account and tipped a close friend (the “Friend”) who also purchased Maxar securities.

3. On December 16, 2022, a press release announced that Maxar had agreed to be acquired in an all-cash transaction valued at approximately \$6.4 billion (the “Maxar Deal”) and Maxar’s stock price increased nearly 125%. As a result of their purchases of Maxar securities, Forlano profited by more than \$8,000 and the Friend generated a profit of over \$10,000. Forlano’s conduct violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

## **Respondent**

4. Matthew P. Forlano, age 57, resides in Staten Island, New York. From 1989 to 2011, Forlano was employed in the financial industry and he previously held Series 7, 55 and 63 licenses. He is the uncle of Forlano Jr. He has known the Friend for more than 30 years and they are close friends.

## **Other Relevant Entities and Individuals**

5. Maxar Technologies Inc. (“Maxar”), a Delaware corporation, is a provider of comprehensive space solutions and secure, precise, geospatial intelligence. It previously traded on the New York Stock Exchange.

6. Anthony Viggiano (“Viggiano”), age 27, is a resident of Baldwin, New York. From February 2022 until July 2023, Viggiano was employed as an analyst and then an associate in the asset and wealth management division of the Investment Bank.

7. Stephen A. Forlano Jr. (“Forlano Jr.”), age 27, is a resident of Tampa, Florida. Forlano Jr. and Viggiano went to college together and are close friends.

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<sup>2</sup> The Commission sued Viggiano, Forlano Jr. and others in federal district court. *See SEC v. Viggiano, et al.* 23cv8542 (S.D.N.Y. 2023).

## Background

8. As a condition of his employment with the Investment Bank, Viggiano agreed to hold all confidential information—including, but not limited to, material nonpublic information—acquired as a result of his employment with the Investment Bank in strict confidence, to not use such information for any purpose other than his employment, and to not disclose confidential information to any other person. The Investment Bank provided Viggiano with trainings, policies, and procedures regarding insider trading and its illegality. Throughout his employment with the Investment Bank, Viggiano owed a duty to the Investment Bank to not disclose any material nonpublic information, including any material nonpublic information related to deals or transactions on which he was working.

9. The Investment Bank served as a financial advisor to the acquiring company in connection with the Maxar Deal. Viggiano was notified about the potential deal as part of his employment at the Investment Bank and had material nonpublic information about Maxar, including the potential Maxar Deal, by at least November 15, 2022.

10. In breach of his duty to the Investment Bank, Viggiano disclosed to Forlano Jr. material nonpublic information relating to the Maxar Deal.

11. By no later than December 2, 2022, Forlano Jr., in turn, tipped Forlano with information about the Maxar Deal that he had received from Viggiano.

12. Between December 2, 2022, and December 15, 2022, Forlano bought 15 Maxar shares and 5 Maxar call options based on his nephew's tip. Forlano knew, was reckless in not knowing, or consciously avoided knowing that the information he used to make the purchases of Maxar securities was material and nonpublic and was obtained in breach of a duty of trust and confidence.

13. In addition to trading in his own account, Forlano tipped the Friend to purchase Maxar securities.

14. Between December 12, 2022, and December 15, 2022, the Friend bought 230 Maxar shares and 2 Maxar call options based on the tip he had received from Forlano.

15. On December 16, 2022, at approximately 7:00 a.m. Eastern Time, a press release announced the Maxar Deal. As a result of this announcement, Maxar's stock price closed at a price of \$51.93 per share later that day, an increase of \$28.83, or 124.81% as compared to the stock's prior closing price of \$23.10 on December 15.

16. On December 16, 2022, after the Maxar Deal was announced, Forlano sold 10 Maxar shares and 5 Maxar call options, and held 5 Maxar shares. As of the close of market trading that day, he reaped realized and unrealized profits of \$8,209.

17. On December 16, 2022, after the Maxar Deal was announced, the Friend sold his 230 Maxar shares and 2 Maxar call options for a profit of \$10,023.

18. As a result of the conduct described above, Forlano violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, which prohibit fraudulent conduct in connection with the purchase or sale of securities.

### **Disgorgement and Civil Penalties**

The disgorgement and prejudgment interest ordered in paragraph IV.B is consistent with equitable principles, does not exceed Respondent's net profits from his violations, and returning the money to Respondent would be inconsistent with equitable principles. Therefore, in these circumstances, distributing disgorged funds to the U.S. Treasury is the most equitable alternative. The disgorgement and prejudgment interest ordered in paragraph IV.B shall be transferred to the general fund of the U.S. Treasury, subject to Section 21F(g)(3) of the Exchange Act.

### **IV.**

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondent's Offer.

Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 21C of the Exchange Act, Respondent Forlano cease and desist from committing or causing any violations and any future violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

B. Respondent shall pay disgorgement of \$8,209.00, prejudgment interest of \$966.08, and a civil penalty of \$18,232.00 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). Payment shall be made in the following installments:

- (1) \$7,500.00 within 10 days of the entry of this order;
- (2) \$1,658.94 within 30 days of the entry of this order;
- (3) \$1,658.94 within 60 days of the entry of this order;
- (4) \$1,658.94 within 90 days of the entry of this order;
- (5) \$1,658.94 within 120 days of the entry of this order;
- (6) \$1,658.94 within 150 days of the entry of this order;
- (7) \$1,658.94 within 180 days of the entry of this order;
- (8) \$1,658.94 within 210 days of the entry of this order;
- (9) \$1,658.94 within 240 days of the entry of this order;
- (10) \$1,658.94 within 270 days of the entry of this order;
- (11) \$1,658.94 within 300 days of the entry of this order;
- (12) \$1,658.94 within 330 days of the entry of this order; and
- (13) the remaining balance plus any postjudgment interest within 360 days of the entry of this order;

Payments shall be applied first to post order interest, which accrues pursuant to SEC Rule of Practice 600 and pursuant to 31 U.S.C. 3717. Prior to making the final payment set forth herein, Respondent shall contact the staff of the Commission for the amount due. If Respondent fails to make any payment by the date agreed and/or in the amount agreed according to the schedule set forth above, all outstanding payments under this Order, including post-order interest, minus any payments made, shall become due and payable immediately at the discretion of the staff of the Commission without further application to the Commission.

Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or
- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center  
Accounts Receivable Branch  
HQ Bldg., Room 181, AMZ-341  
6500 South MacArthur Boulevard  
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Matthew P. Forlano as a Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Joseph G. Sansone, Chief, Market Abuse Unit, Division of Enforcement, Securities and Exchange Commission, 100 Pearl Street, Suite 20-100, New York, NY 10004.

C. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, he shall not argue that he is entitled to, nor shall he benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that he shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on

substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

**V.**

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. § 523, the findings in this Order are true and admitted by Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondent of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. § 523(a)(19).

By the Commission.

Vanessa A. Countryman  
Secretary