

TABLE OF CONTENTS

INTRODUCTION1

ARGUMENT5

 I. Mr. Hill Has Been Unfairly Singled Out by the Commission in Violation
 of the Equal Protection Clause.....5

 II. Current SEC Policy Requires That Mr. Hill’s Case Be Filed in Federal
 Court.11

 III. The Administrative Forum Does Not Provide Mr. Hill With a Fair
 Opportunity to Defend Himself.14

CONCLUSION.....18

TABLE OF AUTHORITIES

Cases

<i>Berger v. United States</i> , 295 U.S. 78 (1935)	19
<i>Gupta v. SEC</i> , 796 F. Supp. 2d 503 (S.D.N.Y. 2011).....	passim
<i>In re Jordan Peixoto</i> , AP No. 3-16184 (Sept. 30, 2014)	7
<i>In re Rajat K. Gupta</i> , AP No. 3-14279 (Mar. 1, 2011).....	4
<i>In re Spencer D. Mindlin and Alfred C. Mindlin, CPA</i> , AP No. 3-14557 (Sept. 21, 2011)	3, 13
<i>Jarkesy v. SEC</i> , No. 1:14-cv-00114-BAH (D.D.C. June 11, 2014).....	17
<i>Peixoto v. SEC</i> , No. 1:14-cv-08364-WHP (S.D.N.Y. Jan. 30, 2015).....	2, 3, 7, 13
<i>Provident Mt. Life Ins. Co. of Phila. v. City of Atlanta</i> , 864 F. Supp. 1274 (N.D. Ga. 1994).....	6
<i>SEC v. Avent</i> , No. 1:16-CV-02459-SCJ (N.D. Ga. July 7, 2016).....	passim
<i>SEC v. Colello</i> , 139 F. 3d 674 (9th Cir. 1998).....	10
<i>SEC v. Schvacho</i> , 991 F. Supp. 2d 1284 (N.D. Ga. 2014).....	8
<i>Village of Willowbrook v. Olech</i> , 528 U.S. 562 (2000)	5

Statutes, Rules and Regulations

Amendments to the Commission’s Rules of Practice, 81 Fed. Reg. 50,211 (July 13, 2016).....	14
Dodd–Frank Wall Street Reform and Consumer Protection Act.....	2, 6, 11, 17
Financial CHOICE Act of 2016 (H.R. 5983)	18
SEC Rule of Practice 100(c).....	1
The Due Process Restoration Act of 2015 (H.R. 3798).....	18

Other Authorities

Brian Mahoney, <i>SEC Could Bring More Insider Trading Cases In-House</i> , Law360 (June 11, 2014)	15
Daniel Wilson, <i>SEC Administrative Case Rules Likely Out of Date, GC Says</i> , Law360 (June 17, 2014)	16
Derrelle M. Janey & Robert C. Gottlieb, <i>The Odds Are Stacked Against Insider Trading Defendants</i> , Law360 (Mar. 30, 2015).....	8
Ed Beeson, <i>SEC Hits Limits In Collapsed Herbalife Insider Case</i> , Law360 (Dec. 19, 2014)	7

Hon. Jed S. Rakoff, U.S. District Court Judge, PLI Securities Regulation Institute Keynote Address: Is the S.E.C. Becoming a Law unto Itself? (Nov. 5, 2014).....	8
Hon. Michael S. Piwowar, Commissioner, Remarks at the “SEC Speaks” Conference 2015: A Fair, Orderly, and Efficient SEC (Feb. 20, 2015).....	15
House Committee on Financial Services, Outline of The Financial CHOICE Act (June 23, 2016)	18
James Sterngold, <i>Charges Dropped After Insider-Trading Ruling</i> , Wall St. J. (Dec. 15, 2014)	7
Jean Eaglesham, <i>SEC Is Steering More Trials to Judges It Appoints</i> , Wall St. J. (Oct. 21, 2015)	17
Jean Eaglesham, <i>SEC Wins With In-House Judges</i> , Wall St. J. (May 6, 2015).....	15
Nate Raymond, <i>U.S. Judge Criticizes SEC Use of In-house Court for Fraud Cases</i> , Reuters (Nov. 5, 2014).....	15
Peter K.M. Chan, Kate M. Emminger, Christian J. Mixter & Susan D. Resley, <i>There’s No Place Like Home: SEC Increasingly Uses Administrative Proceedings</i> , Nat’l L. Rev. (Dec. 22, 2014)	17
Press Release, U.S. Securities and Exchange Commission, SEC Adopts Amendments to Rules of Practice for Administrative Proceedings (July 13, 2016).....	14
Sarah N. Lynch, <i>U.S. SEC to File Some Insider-Trading Cases in its In-House Court</i> , Reuters (June 11, 2014)	15
<i>SEC Sues Accounting Firm Partner, Stock Broker and Securities Law Recidivist in Insider Trading Scheme</i> , SEC Litigation Release No. 23593 (July 8, 2016)	9
Stephen J. Choi & A.C. Pritchard, <i>The SEC’s Shift to Administrative Proceedings: An Empirical Assessment</i> , Law & Economics Working Papers, Paper 119 (2016).....	3
Stephen J. Crimmins, <i>Insider Trading: Where is the Line?</i> , 2013 Colum. Bus. L. Rev. 330	3
Straight Arrow Securities Diary, <i>SEC Abruptly Drops Insider Trading Case Against Peixoto</i> (Dec. 16, 2014)	7
Thomas C. Frongillo & Caroline K. Simons, <i>The SEC’s Gambit in Peixoto Backfires</i> , Fish & Richardson PC Litigation Blog (Dec. 22, 2014).....	7
U.S. Securities and Exchange Commission, <i>Division of Enforcement Approach to Forum Selection in Contested Actions</i>	11, 12, 13

INTRODUCTION

Under SEC Rule of Practice 100(c), and in the interest of justice, Respondent Charles L. Hill, Jr., respectfully moves the Commission to de-institute this administrative proceeding (“AP”), and consistent with longstanding Commission practice and policy, refile the claims against him in federal court. The Commission should de-institute this AP for at least three reasons: (1) apart from three easily distinguishable instances that are discussed below, Mr. Hill is the only unregulated individual respondent whom the Commission has chosen to sue for alleged insider trading violations in a contested case in its own administrative forum and appears to have been unfairly singled out by the Commission for no reason other than the weakness of the claims against him in violation of the Equal Protection Clause of the U.S. Constitution; (2) consistent with current Commission policy, were the Commission to bring this action today, the case against Mr. Hill would be filed in federal court—just as the Commission did with a recent case (*SEC v. Avent*¹) involving contemporaneous trading in the exact same stock (Radiant Systems Inc. (“Radiant”)) at issue in the case against Mr. Hill; and (3) Mr. Hill will not have a fair opportunity to defend himself in the administrative forum.

The unfairness of the SEC’s treatment of Mr. Hill, in violation of his constitutional rights to equal protection and due process, is conclusively proven by comparison to the SEC’s actions in *Avent*. There the SEC chose to sue three defendants in federal court, including Lawrence Penna—a convicted felon, perjurer, recidivist securities law violator and stock manipulator with

¹ Complaint, No. 1:16-CV-02459-SCJ (N.D. Ga. July 7, 2016), ECF No. 1, *available at* <https://www.sec.gov/litigation/complaints/2016/comp23593.pdf>.

reported connections to organized crime.² Despite more serious, more blameworthy and more harmful conduct in *Avent*, the SEC elected to file that case in federal court and Mr. Hill's in the administrative forum. Simply put, there is no legitimate or constitutional reason for the SEC to be more protective and respectful of the rights of a recidivist securities law violator/manipulator, perjurer and convicted felon like Lawrence Penna and his alleged co-conspirators than those of an ordinary private citizen and retail investor like Mr. Hill.³

Considerations of fundamental fairness, including the constitutional guarantees of equal protection and due process, require that Mr. Hill be allowed to defend himself in federal court. Mr. Hill's case must be in federal court due to the uniqueness of his situation—he is in a “class of one.” Since the effective date of the Dodd–Frank Wall Street Reform and Consumer Protection Act (“Dodd-Frank”),⁴ the SEC has sued a total of 461 individuals for alleged insider trading.⁵ The SEC has chosen to bring charges against 425 of these individuals (~92%) in

² See Appendix to this Motion.

³ See, e.g., *Gupta v. SEC*, 796 F. Supp. 2d 503 (S.D.N.Y. 2011).

⁴ Section 929B(a) of Dodd-Frank, which had an effective date of July 22, 2010, gave the SEC the ability to seek financial penalties against unregulated individuals like Mr. Hill in its own administrative forum. Before Dodd-Frank, it appears that the SEC had uniformly filed all contested insider trading cases against unregulated individuals exclusively in federal court.

⁵ Attached as Exhibit A is a chart supporting Mr. Hill's status as a class of one for contested insider trading cases from July 22, 2010 (the effective date of Section 929B of Dodd-Frank) through the present. For the period before January 1, 2015, the chart relies on and incorporates the analysis set forth in a chart of contested insider trading cases submitted in *Peixoto v. SEC*, No. 1:14-cv-08364-WHP (S.D.N.Y. Jan. 30, 2015), ECF No. 1-1, Exhibit D, and the 2010-2014 Insider Trading Summaries prepared by the law firm of Morrison & Foerster, which chronicle all post-Dodd-Frank insider trading cases through December 31, 2014. See <https://media2.mofo.com/documents/110223-insider-trading-2010-review.pdf>; <https://media2.mofo.com/documents/2011-insider-trading-review.pdf>; <https://media2.mofo.com/documents/130116-insider-trading-annual-review.pdf>; <http://media.mofo.com/files/uploads/Images/140108-Insider-Trading-Annual-Review.pdf>; <https://media2.mofo.com/documents/150211insidertradingannualreview.pdf>.

federal district court.⁶ The SEC sued 36 of these individuals solely in its own administrative forum,⁷ with the charges against 29 filed only for purposes of settlement. Of the contested APs against the remaining seven (7) individuals, two (2) were later de-instituted (*Gupta* and *Peixoto*⁸), and three (3) were brought against regulated persons (*Bolan*, *Ruggieri*, and *Spencer Mindlin*⁹). Of the remaining two (2) (*Alfred Mindlin* and *Hill*), Mr. Hill's case is the **only** contested single-respondent AP alleging insider trading against an unregulated person (one (1) out of 461 individuals, or ~0.2% of the total).¹⁰ Furthermore, since the institution of the AP

⁶ See Exhibit A.

⁷ Omitted from Exhibit A are follow-on APs filed after the conclusion of federal court litigation.

⁸ In *Gupta* and *Peixoto*, discussed *infra*, the SEC filed APs against unregulated persons, but ultimately de-instituted those APs after those respondents filed challenges in federal court.

⁹ Regulated individuals consent to oversight and discipline by the SEC, including administrative enforcement actions, when they seek licensing and entry into a regulated industry. See Stephen J. Choi & A.C. Pritchard, *The SEC's Shift to Administrative Proceedings: An Empirical Assessment*, Law & Economics Working Papers, Paper 119, at 5 (2016), http://repository.law.umich.edu/law_econ_current/119. In exchange for the financial benefits of participation in the securities and financial services industry, regulated individuals, such as stockbrokers, explicitly consent to comprehensive discipline by the SEC. That seems fair: in return for being able to make a living selling securities, stockbrokers agree to be sued in the SEC's administrative forum. Private citizens like Mr. Hill do not receive such offsetting financial benefits and never agreed to any such bargain. Cf. Stephen J. Crimmins, *Insider Trading: Where is the Line?*, 2013 Colum. Bus. L. Rev. 330, 354 (noting that "[a] curiosity of insider trading is that it is the only major SEC enforcement program area that prosecutes ordinary retail investors").

¹⁰ In *In re Spencer D. Mindlin and Alfred C. Mindlin, CPA*, AP No. 3-14557 (Sept. 21, 2011), which settled about four months after filing, <https://www.sec.gov/litigation/admin/2012/33-9296.pdf>, the SEC instituted an apparently contested AP against two respondents, a father and son, who were accused of insider trading based on information that the son (Spencer) obtained and allegedly passed on to the father (Alfred). Spencer was a stock trader at a preeminent investment bank and had several securities licenses; by contrast Alfred, a Certified Public Accountant (CPA) who did not practice before the SEC, was not a regulated individual. Nonetheless, the AP against the Mindlins does not support the SEC's disparate treatment of Mr. Hill: it appears that the Mindlins mounted a joint defense—they entered into a settlement that provided for joint and several liability—and it would not have been efficient or in

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against Mr. Hill on February 11, 2015, it appears that the Commission has chosen to bring every contested insider trading case against an unregulated individual in federal court.¹¹ There is no legitimate or fair reason to single out Mr. Hill for such disparate and adverse treatment.

Mr. Hill will agree that the filing date of any such federal action will relate back to February 11, 2015—the date on which the Order Instituting Proceedings issued; he will agree to any reasonable stipulations to ensure that the Commission suffers no prejudice from refiling this case in federal court.¹² Refiling the suit in federal court will moot all of Mr. Hill’s constitutional objections. Moving forward in this fashion and refiling in federal court would be consistent with the actions taken by the Commission in *In re Rajat K. Gupta*, AP No. 3-14279,¹³ and the recent *SEC v. Avent* case—which alleges contemporaneous insider trading in the exact same stock—in federal district court. In addition, because Mr. Hill is alone in a class of one, granting the relief sought by this motion will not open the floodgates to other similarly situated respondents—precisely because currently there are none. Accordingly, the Commission should de-institute this AP against Mr. Hill.

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the SEC’s or the Mindlins’ interest to divide the case into an AP against Spencer and a federal court action against Alfred.

¹¹ See Exhibit A.

¹² Mr. Hill previously offered to withdraw all his constitutional challenges if the SEC would agree to dismiss the AP and to refile the case against him in federal court. See Letter to Walter Jospin, Regional Director of the SEC’s Atlanta Regional Office, dated October 26, 2015 (attached hereto as Exhibit B). Mr. Hill later made a substantially identical offer in a letter dated October 30, 2015 to Andrew Ceresney, Director of the SEC’s Division of Enforcement.

¹³ See Order Dismissing Proceeding, Exchange Act Release No. 65037 (Oct. 4, 2011), <https://www.sec.gov/litigation/admin/2011/33-9249.pdf>; see also SEC Litigation Release No. 22140 (Oct. 26, 2011), <https://www.sec.gov/litigation/admin/2011/33-9249.pdf>.

ARGUMENT

I. Mr. Hill Has Been Unfairly Singled Out by the Commission in Violation of the Equal Protection Clause.

Mr. Hill is an ordinary citizen; he is not registered with the Commission, nor is he required to be. He is not a stockbroker. He is not an investment advisor. He is not even an officer, director, employee or affiliate of a public company. Mr. Hill is not subject to SEC regulation. To the contrary, he is and was merely a retail investor like tens of millions of other private citizens across the country. Mr. Hill has a totally clean record. He has had no prior exposure to or experience with the civil or criminal law enforcement process. Yet he is still being compelled to defend himself in an unfair and unjust AP brought by the SEC to prosecute alleged insider trading violations with the potential to impose disgorgement and civil penalties that would have a catastrophic effect on him and his family. Mr. Hill himself is a class of one—no similarly situated individual is currently facing an SEC AP for alleged insider trading or has ever had to contest insider trading charges in the SEC’s own administrative forum.¹⁴

Accordingly, the Commission’s decision to bring an AP against Mr. Hill is a violation of the Equal Protection Clause of the United States Constitution. The Equal Protection Clause forbids the government from treating similarly situated individuals differently for an “irrational” or “arbitrary” reason.¹⁵ In particular, the Equal Protection Clause forbids the SEC from arbitrarily pursuing insider-trading charges against an unregulated individual in the SEC’s administrative forum after repeatedly pursuing similar charges against similarly situated

¹⁴ See Exhibit A.

¹⁵ *Village of Willowbrook v. Olech*, 528 U.S. 562, 565 (2000).

individuals in federal court—a forum that gives defendants/respondents broader discovery and jury-trial rights, among other important protections.¹⁶

In *Gupta v. SEC*, for example, respondent Rajat Gupta brought a federal injunctive action after the SEC chose to sue 28 other individuals in federal court for alleged insider trading related to Galleon Management, LP, yet pursued Gupta in an AP.¹⁷ Gupta alleged that there was no reason for the SEC’s forum selection, other than a “bad faith” intent to “shor[e] up a meritless case by disarming [the SEC]’s adversary.”¹⁸ The Court held that, if the allegation was true, the SEC had violated the Equal Protection Clause.¹⁹ By the standard of *Gupta*, the SEC’s treatment of Mr. Hill has violated the Equal Protection Clause.

As in *Gupta*, the SEC is forcing Mr. Hill to defend himself in the administrative process despite repeatedly and almost without exception bringing similar charges against similarly situated individuals in federal court. Since Dodd-Frank, the SEC has chosen federal court for

¹⁶ By forcing Mr. Hill to defend himself in the administrative process, the SEC deprives him of a number of procedural protections such as “full discovery, application of the federal rules of evidence, the ability to assert third-party claims for indemnification and contribution, the ability to bring counterclaims against the SEC and, most importantly, a right to a jury trial.” *Gupta*, 796 F. Supp. 2d at 508 (Rakoff, J.). The SEC’s arbitrary action therefore interferes with his fundamental rights, including “the right to procedural due process.” *Provident Mt. Life Ins. Co. of Phila. v. City of Atlanta*, 864 F. Supp. 1274, 1291-92 (N.D. Ga. 1994). Mr. Hill is thus entitled to bring an equal protection challenge that would apply “strict judicial scrutiny” to the SEC’s actions. *Id.*

¹⁷ 796 F. Supp. 2d at 506, 507. While Gupta was an unregulated person, at the time of his alleged misconduct he sat on the boards of two large publicly-traded companies, both part of the Fortune 100: Goldman Sachs Group, Inc., a leading global investment banking, securities and investment management firm that was and is subject to comprehensive SEC regulation, and the Procter & Gamble Company. While Gupta may have been an unregulated individual, he had strong and obvious connections to securities trading, financial services and SEC-reporting and regulations in a way that Mr. Hill does not. Thus, the arguments that the SEC should be required to sue Mr. Hill in federal court here are even stronger than those in *Gupta*.

¹⁸ *Id.* at 508.

¹⁹ *Id.* at 513.

approximately 92% of the insider-trading enforcement proceedings (425 out of 461 individuals) the SEC has brought against individuals.²⁰ Of the 8% of enforcement proceedings filed as APs (36 out of 461 individuals), 80% of those APs were settlement-only (29 out of 36 AP respondents). Of the seven (7) remaining respondents, three (*Bolan*, *Ruggieri*, and *Spencer Mindlin*) were regulated individuals. In two (2) of the rare contested APs, the SEC promptly reversed course once respondent raised an equal protection challenge in federal court. In *Gupta*, the SEC entered a joint stipulation of dismissal promising that “[a]ny future action against Mr. Gupta based on the factual allegations in the [administrative matter] shall only be filed in” federal court.²¹ Likewise, in *Peixoto v. SEC*,²² the SEC dismissed an AP after respondent filed an injunctive action in federal court that raised an Equal Protection challenge, among other things.²³

²⁰ See Exhibit A.

²¹ Joint Stipulation of Dismissal, No. 1:11-cv-01900-JSR (S.D.N.Y. Aug. 8, 2011), ECF No. 27.

²² Notice of Voluntary Dismissal, No. 1:14-cv-08364-WHP (S.D.N.Y. Jan. 30, 2015), ECF Nos. 19, 19-1. While the respondent in *Peixoto* was an unregulated individual, he was a research analyst at a Big Four accounting firm. See Order Instituting Proceedings, AP No. 3-16184, Exchange Act Release No. 73263 at 2 (Sept. 30, 2014), <https://www.sec.gov/litigation/admin/2014/34-73263.pdf>.

²³ The Division’s stated reason for seeking dismissal was that two key witnesses had become unavailable, but that information had been known for weeks and the Division had already received permission from the ALJ presiding over the *Peixoto* AP to use a transcript of prior sworn testimony, as permitted by Rule of Practice 320. See Ed Beeson, *SEC Hits Limits In Collapsed Herbalife Insider Case*, Law360 (Dec. 19, 2014), <http://www.law360.com/whitecollar/articles/606128>. Other commentators also questioned the SEC’s stated reason for dismissal. See, e.g., James Sterngold, *Charges Dropped After Insider-Trading Ruling*, Wall St. J. (Dec. 15, 2014), <http://www.wsj.com/articles/charges-dropped-after-insider-trading-ruling-1418689195>; Thomas C. Frongillo & Caroline K. Simons, *The SEC’s Gambit in Peixoto Backfires*, Fish & Richardson PC Litigation Blog (Dec. 22, 2014), available at <http://www.lexology.com/library/detail.aspx?g=9b609b14-84e1-42d5-a484-0c34092cb3d4>; Straight Arrow Securities Diary, *SEC Abruptly Drops Insider Trading Case Against Peixoto* (Dec. 16, 2014), <https://securitiesdiary.com/2014/12/16/sec-abruptly-drops-insider-trading-case->
(cont’d)

The SEC has no plausible justification to pursue Mr. Hill's case in its administrative forum while pursuing all other similarly situated individuals in federal court. To the contrary, the SEC chose federal court for a case that was materially identical to this one. In *SEC v. Schwacho*,²⁴ the SEC chose the Northern District of Georgia for an insider-trading claim premised primarily on (i) the personal connection between the defendant (an unregulated individual) and an insider, and (ii) the allegedly suspicious timing of their communications and defendant's trades while the insider negotiated the underlying deal—in other words, the same circumstances and theory of liability advanced by the SEC in Mr. Hill's case.

That leaves just one illegitimate reason for the SEC's decision here. Specifically, the SEC lost when it brought substantially similar charges in *Schwacho* in the same federal court in which the SEC would have to bring charges against Mr. Hill (i.e., the Northern District of Georgia).²⁵ Thus, the SEC has sued Mr. Hill in the administrative forum to deprive him of the same tools the defendant in *Schwacho* used to win—i.e., to “shor[e] up a meritless case by disarming [the SEC's] adversary.”²⁶ That the SEC has resisted discovery about forum selection

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against-peixoto/; see also Derrelle M. Janey & Robert C. Gottlieb, *The Odds Are Stacked Against Insider Trading Defendants*, Law360 (Mar. 30, 2015), <http://www.law360.com/articles/637172/the-odds-are-stacked-against-insider-trading-defendants>.

²⁴ 991 F. Supp. 2d 1284 (N.D. Ga. 2014). Current lead counsel for Mr. Hill was also lead counsel for Mr. Schwacho.

²⁵ *Id.* at 1297-1303

²⁶ *Gupta*, 796 F. Supp. 2d at 508; see also, e.g., Hon. Jed S. Rakoff, U.S. District Court Judge, PLI Securities Regulation Institute Keynote Address: Is the S.E.C. Becoming a Law Unto Itself? (Nov. 5, 2014), available at <https://securitiesdiary.files.wordpress.com/2014/11/rakoff-pli-speech.pdf>.

in this case only tends to confirm that the decision resulted from arbitrary and illegitimate reasons.²⁷ Thus, this AP is unconstitutional.

To further demonstrate the arbitrariness of the AP brought against Mr. Hill, compare the allegations against Mr. Hill to those in *Avent*,²⁸ a federal court action which the SEC also filed in the U.S. District Court for the Northern District of Georgia (where Mr. Hill resides), on July 7, 2016, less than three months ago, alleging much more serious and far-reaching insider trading involving the very same stock (Radiant), contemporaneous with Mr. Hill's trading in this case. Defendant Avent, a tax partner with one of the world's largest accounting firms, headed up a practice group that performed due diligence in connection with upcoming mergers and acquisitions, including Radiant, through which he allegedly learned "secret, proprietary, carefully guarded information about upcoming corporate acquisitions, including tender offers for publicly-traded companies—some of the most valuable, sensitive, nonpublic information that exists within the sphere of the stock markets."²⁹ In 2011 and 2012, Avent allegedly tipped his stock broker, Defendant Pirrello, about upcoming acquisitions, including Radiant, and Pirrello, in turn, allegedly passed the tips on to his former colleague and long-time friend, Defendant Penna,

²⁷ On May 13, 2015, Mr. Hill submitted a request, which the Division of Enforcement opposed, that the ALJ issue a subpoena to the Commission seeking information about how the Commission chooses forums for its cases against unregulated individuals and how it chose the forum for Mr. Hill's case specifically. After the ALJ granted the request as to two out of the ten categories of information, *see* Admin. Proc. Rulings Release No. 2706, the Division responded to one category, but seeks interlocutory review by the Commission as to the other. *See* Request for Certification for Interlocutory Review (May 29, 2015); Petition (June 4, 2015); Opposition (June 5, 2015).

²⁸ *See SEC Sues Accounting Firm Partner, Stock Broker and Securities Law Recidivist in Insider Trading Scheme*, SEC Litigation Release No. 23593 (July 8, 2016), <https://www.sec.gov/litigation/litreleases/2016/lr23593.htm>; *see also* Complaint, *Avent*, *supra* note 1.

²⁹ Complaint, *Avent*, *supra* note 1, at 1.

as well as others. As alleged in the SEC's Complaint, Penna had worked in the securities industry for almost 30 years—in fact, not only had Penna been a regulated individual, but he had actually owned and managed an SEC-registered broker-dealer until he consented to a 1999 Commission bar.³⁰ As alleged in the *Avent* Complaint, Penna then arranged to buy stocks or options of the target companies, including Radiant, before the acquisitions were announced to the public. *Avent* allegedly provided material nonpublic information to Pirrello, and Pirrello provided substantial pecuniary and other benefits to *Avent*. Similarly, Pirrello allegedly provided material nonpublic information to Penna in exchange for pecuniary benefits.

The allegations against Mr. Hill bear strong similarities to the SEC's allegations in *Avent*. In particular, the SEC has alleged insider trading in the **very same stock during the very same period**. By any measure, however, the alleged conduct in *Avent* is much more serious, harmful to investors, culpable and long-lasting than the ill-founded allegations against Mr. Hill, which he denies. Yet the Commission elected to file the case against the *Avent* defendants—one of whom is a convicted felon and recidivist securities law violator and another of whom was a licensed stockbroker at the time of the alleged misconduct—in federal court, and the case against Mr. Hill in its own administrative forum.³¹ Furthermore, Mr. Hill resides in the Northern District of

³⁰ For unknown reasons, the SEC's Complaint in *Avent* is uncharacteristically reticent, if not demure, as to Penna's extensive history of securities law violations; giving no mention at all to his criminal convictions, nor any specifics about the earlier SEC enforcement action against him. These details are set forth in the Appendix to this Motion.

³¹ The SEC likely felt confident about its chances in *Avent*, even without its "home court" advantage, because Penna has chosen to assert his Fifth Amendment right not to incriminate himself (*e.g.*, Answer of Defendant Lawrence J. Penna (Sept. 9, 2016), ECF No. 18), which will permit an adverse inference that will establish the SEC's case without a need for significant additional evidence. *See, e.g., SEC v. Colello*, 139 F. 3d 674, 677-78 (9th Cir. 1998) ("Parties
(cont'd)

Georgia, where *Avent* is pending. The same forum should handle both of these cases involving alleged illegal insider trading in Radiant stock. Such an arbitrary and capricious action is in no way consistent with fundamental fairness or the constitutional guarantees of equal protection and due process.³² Accordingly, the SEC should de-institute the AP against Mr. Hill.

II. Current SEC Policy Requires That Mr. Hill's Case Be Filed in Federal Court.

Before Dodd-Frank, the SEC could seek financial penalties against unregulated, unlicensed individuals like Mr. Hill **only** in federal court.³³ In the aftermath of Dodd-Frank, many commentators have charged that unfair and unfettered discretion regarding forum selection became the centerpiece of the SEC's enforcement strategy until a recent reversal that only came about in reaction to strong public criticism, including criticism from the financial press, Congress and several federal judges.³⁴ Had the SEC brought its case against Mr. Hill today, instead of in early 2015, the case undoubtedly would have been filed in federal court.

Furthermore, maintaining the case against Mr. Hill as an AP violates the SEC's own guidelines, announced in May 2015, barely three months after institution of this AP.³⁵ Those guidelines—the Division of Enforcement's Approach to Forum Selection in Contested Actions—set forth four principal factors for forum selection:

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are free to invoke the Fifth Amendment in civil cases, but the court is equally free to draw adverse inferences from their failure of proof.”).

³² See, e.g., *Gupta*, 796 F. Supp. 2d 503.

³³ See *supra* note 4.

³⁴ See *infra* at pp. 14-18 and accompanying notes.

³⁵ See U.S. Securities and Exchange Commission, *Division of Enforcement Approach to Forum Selection in Contested Actions*, <https://www.sec.gov/divisions/enforce/enforcement-approach-forum-selection-contested-actions.pdf>.

1. *The availability of the desired claims, legal theories, and forms of relief in each forum.*

The claim and forms of relief against Mr. Hill could be pursued in either forum, so this factor does not weigh in favor of the administrative forum.

2. *Whether any charged party is a registered entity or an individual associated with a registered entity.*

Mr. Hill is not registered, nor is he associated with a registered entity. Furthermore, there are no other charged parties, unlike in *Mindlin*.³⁶ Thus, this factor weighs in favor of federal court.

3. *The cost-, resource-, and time-effectiveness of litigation in each forum.*

There is no indication that this factor weighs in favor of the administrative forum here. Rather, as the guidelines recognize, “[t]he additional time and types of pre-trial discovery available in federal court may entail both costs and benefits, which should be weighed under the facts and circumstances of a case.”³⁷ Just as the facts and circumstances of *Avent* caused the Commission to file that case in federal court, the facts and circumstances of Mr. Hill’s case even more strongly weigh in favor of federal court. Furthermore, “facts and circumstances” should be weighed to assess fairness to both sides in choosing a forum, and should not take into consideration only the potential benefits to the SEC.

4. *Fair, consistent, and effective resolution of securities law issues and matters.*

The guidelines suggest that “[i]f similar charges are being or have been brought against similarly situated parties (e.g., registered entities or associated persons) in the same or closely-

³⁶ See *supra* note 10.

³⁷ *Approach to Forum Selection in Contested Actions*, *supra* note 35, at 3.

related contested matters, it may be preferable to recommend charges against similarly situated parties in the same forum.”³⁸ The Commission chose to file the *Avent* matter, which alleges contemporaneous insider trading in the very same stock at issue in Mr. Hill’s case, in federal court—in fact, in the very district where Mr. Hill lives. Consistent with the treatment of the *Avent* defendants, the case against Mr. Hill should be filed in federal court as well. Furthermore, the SEC has chosen to file all its contested insider trading cases against all similarly situated unregulated individuals in federal court.³⁹

In addition, Mr. Hill’s case does not involve “complex or technical securities industry practices or products,” nor does it “raise unsettled and complex legal issues under the federal securities laws, or interpretation of the Commission’s rules,” thus weighing against selection of the SEC’s administrative forum.⁴⁰ This case does not require any specific securities industry expertise and is perfectly suited to be tried before a lay federal jury. Nor does this case involve any minutiae of securities laws or the inner workings of the securities industry, areas in which the presumed expertise of SEC ALJs might have a beneficial effect. Rather, the charges against Mr. Hill depend on credibility and other non-technical fact-finding determinations that are the primary function of a jury.

Accordingly, Mr. Hill’s class of one status as the only unregulated individual respondent subject to an AP charging insider trading appears to be the unfortunate result of bad timing and institutional inertia, which hardly justifies the continuing deprivation of Mr. Hill’s constitutional

³⁸ *Id.* at 4.

³⁹ With the exception of the three outlier cases, *Gupta*, *Peixoto* and *Alfred Mindlin*, that have already been discussed and which actually support the relief sought by this Motion. *See supra* notes 8-10, 17-19, and 21-23, and accompanying text.

⁴⁰ *Approach to Forum Selection in Contested Actions*, *supra* note 35, at 3.

rights. By de-instituting this AP, the Commission can easily correct this injustice without affecting other pending APs because there are no other current respondents in Mr. Hill's situation.

III. The Administrative Forum Does Not Provide Mr. Hill With a Fair Opportunity to Defend Himself.

Instead of being able to defend himself in federal court, with the attendant fundamental procedural safeguards, such as the right to a trial by jury and the right to conduct depositions and other discovery as provided for by the Federal Rules of Civil Procedure—as apparently all other unregulated individuals accused by the SEC of insider trading have enjoyed⁴¹—Mr. Hill will be forced to take part in a proceeding in which the prosecutor, judge, and appellate body are all instruments or employees of the SEC.⁴²

As discussed, Mr. Hill's unique position appears to be the result of bad timing and institutional inertia. Following a string of well-publicized losses in federal court, the Director of the SEC's Division of Enforcement announced in 2014 that the SEC planned to bring more of its

⁴¹ Excluding settled cases and the outlier matters, as discussed above.

⁴² In response to widespread criticisms of its administrative forum, the Commission recently adopted certain amendments to its Rules of Practice. See Press Release, U.S. Securities and Exchange Commission, SEC Adopts Amendments to Rules of Practice for Administrative Proceedings (July 13, 2016), <https://www.sec.gov/news/pressrelease/2016-142.html>; Amendments to the Commission's Rules of Practice, 81 Fed. Reg. 50,211 (July 13, 2016) (to be codified at 17 C.F.R. pt. 201), available at <https://www.sec.gov/rules/final/2016/34-78319.pdf>. But these amendments are both a fig leaf and a band-aid—they amount to only trivial adjustments that fail to fix the fundamental unfairness that the SEC's administrative process necessarily imposes on respondents, particularly unregulated individuals. Regardless, even the modest reforms set forth in the Amended Rules of Practice—at least the ones that matter, such as providing respondents with the ability to take a limited number of depositions and allowing for expanded preparation time—will not benefit Mr. Hill because the Commission has chosen not to make these changes applicable to APs like this one in which the initial prehearing conference has already occurred. See 81 Fed. Reg. at 50,229.

insider trading cases in its own administrative forum.⁴³ The SEC's motivation for the new approach seemed clear. First, threatening individuals with an AP compelled settlements. According to the Director, "there have been a number of cases in recent months where we have threatened administrative proceedings, it was something we told the other side we were going to do and they settled."⁴⁴

Second, the SEC enjoys a pronounced home-court advantage, to say the least, in its administrative forum. According to an analysis by *The Wall Street Journal*, the SEC "won against 90% of defendants before its own judges in contested cases from October 2010 through March of [2015]."⁴⁵ In contrast, the SEC succeeded in 69% of contested cases in federal court over the same period.⁴⁶ U.S. District Judge Jed Rakoff, remarked that in fiscal year 2014 alone, the SEC won 100% of its administrative actions, while its success rate in federal court was only 61%.⁴⁷

This advantage also extends to appeals of ALJ decisions that are heard by the Commission. *The Wall Street Journal* analysis found that from January 2010 through March

⁴³ Sarah N. Lynch, *U.S. SEC to File Some Insider-Trading Cases in its In-House Court*, Reuters (June 11, 2014), <http://www.reuters.com/article/2014/06/11/sec-insidertrading-idUSL2N0OS1AT20140611>.

⁴⁴ Brian Mahoney, *SEC Could Bring More Insider Trading Cases In-House*, Law360 (June 11, 2014), <http://www.law360.com/articles/547183/sec-could-bringmore-insider-trading-cases-in-house>.

⁴⁵ See Jean Eaglesham, *SEC Wins With In-House Judges*, Wall St. J. (May 6, 2015), <http://www.wsj.com/articles/sec-wins-with-in-house-judges-1430965803>.

⁴⁶ *Id.*

⁴⁷ See Nate Raymond, *U.S. Judge Criticizes SEC Use of In-house Court for Fraud Cases*, Reuters (Nov. 5, 2014), <http://www.reuters.com/article/2014/11/05/ussec-fraud-rakoff-idUSKBN0IP2EG20141105>; Hon. Michael S. Piwowar, Commissioner, Remarks at the "SEC Speaks" Conference 2015: A Fair, Orderly, and Efficient SEC (Feb. 20, 2015), <http://www.sec.gov/news/speech/022015-spchcmssp.html>.

2015, the Commissioners found for the SEC in 53 out of 56 appeals (i.e., approximately 95%).⁴⁸ These results are hardly surprising. Bradley Bondi, who served as legal counsel to two former SEC Commissioners, stated that “[i]n an administrative law proceeding[,] the commission is akin to the prosecutor and then, in an appeal, the judge in the same case.”⁴⁹

Third, besides the high success rate, the administrative process may also be set up with the deck stacked against respondents like Mr. Hill. One former SEC ALJ told the *Wall Street Journal* that she believed the administrative review process was at times slanted against respondents, and ALJs worked under the assumption that “the burden was on the people who were accused to show that they didn’t do what the agency said they did.”⁵⁰

Senior officials at the SEC have also questioned the fairness of the administrative scheme. For instance, the General Counsel of the Commission specifically acknowledged in a public forum that the then-existing AP rules (most of which would still apply to this AP) were inadequately tailored to address the complexities raised by an insider trading case.⁵¹ Even a Commissioner has acknowledged that the SEC’s “enforcement program could also benefit from a look through the lens of fairness.”⁵²

When previously asked by a court to articulate “the criteria that the SEC uses to determine whether a matter is referred to court, criminally or civilly, versus referred for administrative proceeding,” an SEC attorney responded “[t]he Commission decides on a case-by-

⁴⁸ Eaglesham, *SEC Wins With In-House Judges*, *supra* note 45.

⁴⁹ *Id.*

⁵⁰ *Id.*

⁵¹ Daniel Wilson, *SEC Administrative Case Rules Likely Out of Date, GC Says*, Law360 (June 17, 2014), <http://www.law360.com/banking/articles/548907/secgc-praises-analysis-improvements-after-rule-disputes>; *see also supra* note 42.

⁵² *See* Piwowar, *A Fair, Orderly, and Efficient SEC*, *supra* note 47.

case basis, based on everything before it, which route it might want to follow.”⁵³ Nonetheless, in this case, as in others, the Commission has declined to provide any reason for its decision to bring suit in its own administrative forum; indeed, it has strenuously resisted all of Mr. Hill’s discovery requests addressed to this topic.⁵⁴

Because no legitimate reason exists for the SEC’s decision to bring Mr. Hill’s case as an AP, its decision is arbitrary. The only plausible explanation for the Commission’s decision is that it is singling out Mr. Hill because of the weakness of the claims against him, and attempting to leverage its “home court advantage” to prevail in a case it knows it could not win in federal court.⁵⁵ The SEC’s home court advantage in APs is manifest in its win-loss record compared to cases it brings in the federal courts. During fiscal year 2014, the SEC’s Enforcement Division won all six of its contested APs, compared to only 11 of its 18 cases brought in federal court.⁵⁶ Under either circumstance—no reason at all or because of its home-field advantage—the public and Congressional perception of the SEC’s approach to Mr. Hill’s case will inevitably cause

⁵³ Tr. of Mot. for TRO at 66-67, *Jarkesy v. SEC*, No. 1:14-cv-00114-BAH (D.D.C. June 11, 2014), ECF No. 22. .

⁵⁴ See *supra* note 27.

⁵⁵ See Choi & Pritchard, *supra* note 9, at 37 (concluding that the SEC has used its expanded powers under Dodd-Frank to shift weaker cases to its administrative forum, at least as to public companies).

⁵⁶ See Peter K.M. Chan, Kate M. Emminger, Christian J. Mixer & Susan D. Resley, *There’s No Place Like Home: SEC Increasingly Uses Administrative Proceedings*, Nat’l L. Rev. (Dec. 22, 2014), <http://www.natlawreview.com/article/there-s-no-place-home-sec-increasingly-uses-administrative-proceedings>; see also Jean Eaglesham, *SEC Is Steering More Trials to Judges It Appoints*, Wall St. J. (Oct. 21, 2015) (“The agency won nine of 10 contested administrative proceedings in the 12-month period through September 2013 and seven out of seven in the 12 months through September 2012, according to SEC data. The SEC won 75% and 67%, respectively, of its trials in federal court in those years.”), <http://www.wsj.com/articles/sec-is-steering-more-trials-to-judges-it-appoints-1413849590>.

further questioning of the fairness of the SEC's administrative scheme, which is already the subject of ongoing Congressional scrutiny.⁵⁷

CONCLUSION

As discussed above, Mr. Hill is in a class of one—he is the only unregulated person accused of insider trading who is currently facing a contested AP, rather than a federal court lawsuit. Furthermore, Mr. Hill is a casualty of the SEC's shifting policy on forum selection. For these reasons, fundamental fairness requires that the SEC de-institute this AP and re-file in federal court.

According to its website, “[t]he mission of the U.S. Securities and Exchange Commission is to protect investors, maintain fair, orderly, and efficient markets, and facilitate capital formation.”⁵⁸ This mission can only be achieved if the securities laws, rules and regulations are clear, well-defined, and applied in a fair, consistent, and unbiased manner. The SEC has an obligation to hold itself to the higher standard articulated in its mission statement.

⁵⁷ The Due Process Restoration Act of 2015, H.R. 3798, 114th Cong. and the Financial CHOICE Act of 2016, H.R. 5983, 114th Cong., both of which have been reported to the full House, would provide private parties like Mr. Hill with the ability to compel the SEC to terminate APs and to refile in federal court. *See* House Report 114-697 at 1, 7 (July 21, 2016) (“H.R. 3798 will ensure fairness and protect substantive rights by enhancing procedural due process rights for defendants in Securities and Exchange Commission (SEC) enforcement matters”), <https://www.congress.gov/congressional-report/114th-congress/house-report/697/>; Financial CHOICE Act of 2016, H.R. 5983, 114th Cong. (as amended Sept. 13, 2016), <http://financialservices.house.gov/uploadedfiles/bills-114hr-hr5983-h001036-amdt-001.pdf>; *see also* House Committee on Financial Services, Outline of The Financial CHOICE Act at 101 (June 23, 2016), http://financialservices.house.gov/uploadedfiles/financial_choice_act_comprehensive_outline.pdf.

⁵⁸ U.S. Securities and Exchange Commission, What We Do, <http://www.sec.gov/about/whatwedo.shtml>.

Likewise, as the U.S. Supreme Court has remarked as to federal prosecutors and the Department of Justice:

The United States Attorney is the representative not of an ordinary party to a controversy, but of a sovereignty whose obligation to govern impartially is as compelling as its obligation to govern at all; and whose interest, therefore, in a criminal prosecution is not that it shall win a case, but that justice shall be done. As such, he is in a peculiar and very definite sense the servant of the law, the twofold aim of which is that guilt shall not escape or innocence suffer. He may prosecute with earnestness and vigor—indeed, he should do so. But, while he may strike hard blows, he is not at liberty to strike foul ones. It is as much his duty to refrain from improper methods calculated to produce a wrongful conviction as it is to use every legitimate means to bring about a just one.⁵⁹

These basic considerations apply with no less force to the Commission than to a federal prosecutor—the SEC may strike hard blows, but not foul ones. Mr. Hill has a fundamental right to have his case adjudicated fairly and consistently with the SEC’s treatment of other similarly situated individuals. Institutional inertia should not present a barrier to doing the right thing. No less than the defendants in *Avent*, Mr. Hill deserves to have his day in federal court.

For all these reasons, the Commission should de-institute this AP against Mr. Hill.

Dated: October 5, 2016

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Respectfully submitted,

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⁵⁹ *Berger v. United States*, 295 U.S. 78, 88 (1935).

RULE 154(C) CERTIFICATE

I hereby certify that the MOTION OF RESPONDENT CHARLES L. HILL, JR. TO DE-INSTITUTE ADMINISTRATIVE PROCEEDING complies with the length limitation of Commission Rule 154(c) and there are 6,156 words in the document exclusive of the table of content, table of authorities, exhibits and other appropriately excluded portions of the document.



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Attorneys for Respondent Charles L. Hill, Jr.

CERTIFICATE OF SERVICE

I hereby certify that on October 5, 2016, I filed an original and three copies of the foregoing MOTION OF RESPONDENT CHARLES L. HILL, JR. TO DE-INSTITUTE ADMINISTRATIVE PROCEEDING with the Office of the Secretary, Securities and Exchange Commission, Attn: Secretary of Commission Brent J. Fields, 100 F Street NE, Mail Stop 1090, Washington, DC 20549, by Federal Express overnight delivery and filed a copy by facsimile transmission to 202-772-9324, and served a true and correct copy upon the following individuals, as indicated:

The Honorable Mary Jo White, Chair
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549
(BY Federal Express overnight delivery)

The Honorable Kara M. Stein, Commissioner
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549
(BY Federal Express overnight delivery)

The Honorable Michael S. Piwowar, Commissioner
Securities and Exchange Commission
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Washington, DC 20549
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Securities and Exchange Commission
Atlanta Regional Office
(BY email and First Class Mail)

COURTESY COPIES to:

The Honorable James E. Grimes: alj@sec.gov
Administrative Law Judge
Jessica Neiterman: neitermanj@sec.gov
Securities and Exchange Commission
Washington, DC
(BY email)



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APPENDIX

In the Matter of: Charles L. Hill, Jr.,
Administrative Proceeding File No. 3-16383

**APPENDIX TO
MOTION OF RESPONDENT CHARLES L. HILL, JR.,
TO DE-INSTITUTE ADMINISTRATIVE PROCEEDING**

Criminal and Regulatory History of Lawrence J. Penna

Lawrence Penna, formerly known as Lawrence Joseph Pennacchio, is a convicted felon, perjurer, recidivist securities law violator and stock manipulator.¹ According to the SEC and as admitted in part by his own guilty pleas, Penna conspired with others—including with one of the most infamous penny stock operators of all-time—to commit large-scale stock manipulations that were connected to organized crime.²

Penna began his almost 30-year career in the securities industry in 1969.³ From at least 1972 to September 1997, Penna was associated with the penny stock brokerage firm Investors Associates, Inc. (“Investors Associates”), based in Hackensack, New Jersey.⁴ According to the SEC, Investors Associates essentially ceased business in June 1997.⁵ Until that time, Investors

¹ See *United States v. Penna*, No. 1:99-cr-00857-LAP (S.D.N.Y. filed Sept. 2, 1999) (docket available on PACER); *SEC v. Penna*, No. 1:99-cv-09406-BSJ (S.D.N.Y. filed Sept. 2, 1999) (docket available on PACER); see also *United States v. Penna*, No. 1:99-cr-00996-LAP (S.D.N.Y. filed Sept. 29, 1999) (docket available on PACER).

² *Id.*; see also, e.g., Richard H. Walker, Director, Division of Enforcement U.S. Securities & Exchange Commission, *Testimony Concerning the Involvement of Organized Crime on Wall Street*, Before the House Subcommittee on Finance and Hazardous Materials, Committee on Commerce (Sept. 13, 2000) (“Organized crime often either infiltrates or otherwise employs the assistance of ‘boiler room’ operations to commit manipulations.”); *id.* (listing “significant enforcement actions” brought by the SEC and other regulators “against a number of notorious boiler rooms in recent years,” including: “Investors Associates, Inc. and its president Lawrence J. Penna”; Sterling Foster & Co.; Rooney, Pace Inc. and its president Randolph K. Pace; Stratton Oakmont and three of its principals Jordan Belfort, Daniel Porush and Kenneth Greene; Blinder Robinson & Co. and its president Meyer Blinder; and First Jersey Securities, Inc. and its president Robert E. Brennan”), <https://www.sec.gov/news/testimony/ts142000.htm>; James Ridgway de Szigethy, *In the Money: Senator Robert Torricelli And His Campaign Contributors*, Rick Porrello’s AmericanMafia.com (Dec. 2001), http://www.americanmafia.com/feature_articles_177.html.

³ Financial Industry Regulatory Authority, Inc. (FINRA) BrokerCheck Report for Lawrence Joseph Penna, CRD# 359779.

⁴ *Id.*

⁵ *In the Matter of Lawrence J. Penna, Herman Epstein and Douglas J. Mangan*, Administrative Proceeding, File No. 3-10091 (Order Instituting Public Administrative Proceedings and Opinion (cont’d)

Associates had been a large multi-state firm, with about seventeen branch offices that employed about 500 registered representatives.⁶ Investors Associates racked up an extensive history of regulatory and fraud-based violations—among other things, its BrokerCheck Report is 216 pages long, mostly devoted to listing instance upon instance of fraud, manipulation and other securities-related misconduct.⁷ At all relevant times, Penna was President and CEO of Investors Associates and owned approximately 81% of the firm.⁸

In September 1999, Investors Associates was indicted for conspiring with two other penny stock brokerage firms, Sterling Foster, Inc. (“Sterling Foster”) and VTR Capital, Inc., in a scheme that allegedly involved the manipulation of 11 separate stocks and that generated \$200 million in illegal profits at the expense of public investors.⁹ Along with two other senior executives at Investors Associates, Penna was personally charged with conspiracy to commit securities fraud and related securities violations, including large-scale stock manipulation that extended over a period of several years.¹⁰ Among Penna’s co-conspirators was notorious penny stock kingpin Randolph Pace, who later pleaded guilty to secretly controlling Sterling Foster.¹¹ Pursuant to a cooperation agreement with the government, Penna pleaded guilty to all of the pending criminal charges against him, including a charge of perjury, and was sentenced to nine (9) months in jail and ordered to pay \$36,610,289 in restitution.¹²

(cont'd from previous page)

and Order Pursuant to Section 15(b)(6) of the Securities Exchange Act of 1934) (Nov. 4, 1999), <https://www.sec.gov/litigation/admin/34-42106.htm>.

⁶ *Id.*

⁷ FINRA BrokerCheck Report for Investors Associates, Inc., CRD# 958; *see also* Gretchen Morgenson, *Ex-Broker Faces Broader Federal Charges*, N.Y. Times (Sept. 3, 1999), http://www.nytimes.com/1999/09/03/business/ex-broker-faces-broader-federal-charges.html?_r=0 (“Investors Associates was the subject of 47 regulatory actions before it closed last year.”).

⁸ *See supra* note 5.

⁹ *See* Morgenson, *supra* note 7.

¹⁰ *See United States v. Penna*, No. 1:99-cr-00857-LAP (S.D.N.Y. filed Sept. 2, 1999).

¹¹ *See* Diana B. Henriques, *Penny-Stock Fraud, From Both Sides Now*, N.Y. Times (Feb. 16, 2003), <http://www.nytimes.com/2003/02/16/business/penny-stock-fraud-from-both-sides-now.html?pagewanted=all> (referring to Randolph Pace as “a wily Wall Street veteran who, with Meyer Blinder and Robert E. Brennan, make up what one lawyer has called ‘the three tenors of the penny-stock world’”; each one of the “three tenors” ultimately was convicted and served a lengthy jail sentence for securities-related fraud). Before his secret involvement with Sterling Foster, Pace was a founder, owner, Chairman and CEO of rogue penny stock firm Rooney Pace, which was expelled from the securities industry in 1988. *See* Frances A. McMorris, *Former Owner of Rooney Pace Is Indicted in a Fraud Scheme*, Wall St. J. (Nov. 10, 1998), <http://www.wsj.com/articles/SB910660388780783000>.

¹² *See United States v. Penna*, No. 1:99-cr-00857-LAP (S.D.N.Y. filed Sept. 2, 1999).

The SEC filed a parallel civil enforcement action against Penna, which he agreed to settle by consenting to a permanent injunction barring future securities violations, including violations of SEC Rule 10b-5, and agreeing to pay \$40,786,471 in disgorgement.¹³ The SEC then filed a “follow-on” administrative proceeding against Penna based on the injunction, to which Penna also consented.¹⁴

As alleged in the Complaint in *SEC v. Penna*, and found by the Commission in the follow-on administrative proceeding:

- Penna and one of his co-defendants (Herman Epstein (“Epstein”)) had Investors Associates co-underwrite fraudulent public offerings of securities for five (5) separate issuers between September 1995 and February 1997, and manipulate the market in those securities, obtaining at least \$33 million in illegal profits for Investors Associates.
- The fraudulent offerings alleged in the Complaint concerned Interiors, Inc., Compare Generiks, Inc., Perry’s Majestic Beer, Inc., Decor Group, Inc. and Superior Supplements, Inc.
- Before each offering, Penna and Epstein had undisclosed arrangements to acquire for Investors Associates large blocks of deeply discounted stock from selling shareholders, who were nominees for, or participants in, the scheme.
- As the offering date approached, Penna and Epstein had Investors Associates’ brokers solicit orders for the securities to be offered, knowing that neither the facts concerning their fraudulent scheme nor other material negative information concerning the issuers would be disclosed.
- The third defendant (Douglas J. Mangan (“Mangan”)) oversaw the fraudulent activity at the Melville, New York branch office, Investors Associates’ largest, most active, and most profitable office. He directed the brokers in that office to use a variety of other fraudulent and abusive sales practices to obtain orders for the securities to be offered.
- Immediately after each offering closed, Investors Associates and other broker-dealers coordinated their market-making activity to manipulate the apparent market price of the securities to a predetermined target level that was approximately twice the offering price. Investors Associates then filled, at the

¹³ See *SEC v. Penna*, No. 1:99-cv-09406-BSJ (S.D.N.Y. filed Sept. 2, 1999) (docket available on PACER). The SEC permitted Penna to settle the case without admitting or denying the allegations in the SEC’s Complaint and waived his disgorgement obligation, apparently based on his inability to pay. *Id.*

¹⁴ See *supra* note 5.

artificial price, the customer orders it had solicited before the offering, establishing a substantial short position.

- First, Epstein and Penna covered that position with the securities they had previously arranged to purchase from the selling shareholders at a deep discount. Then Penna and Epstein sold these securities at a substantial profit, but at a discount to the target price, from Investors Associates' principal trading account to trading accounts for the branch offices, including the Melville office.¹⁵

In addition to the charges stemming from the illegal stock manipulations at Investors Associates, Penna also pleaded guilty to a contemporaneous felony charge for funneling illegal campaign contributions to a Presidential candidate and a Senatorial candidate for which he received a concurrent nine-month jail sentence.¹⁶

¹⁵ *Id.*

¹⁶ See *United States v. Penna*, No. 1:99-cr-00996-LAP (S.D.N.Y. filed Sept. 29, 1999); Morgenson, *supra* note 7 (“Mr. Penna of Investors Associates has been a major Democratic fund-raiser and contributed \$10,000 in 1997 to the Democratic Senatorial Campaign Committee. Senator Robert G. Torricelli, Democrat of New Jersey, was co-chairman of the committee at the time. Investors Associates contributed \$50,000 to Mr. Torricelli’s campaign against Richard A. Zimmer, a Republican, in 1996, according to The Star-Ledger of Newark. Mr. Torricelli invested in the initial stock offering of Compare Generiks, one of the offerings prosecutors said was manipulated, making \$52,446 profit in 24 hours, according to The Star-Ledger. Mr. Penna was Mr. Torricelli’s account executive on the transaction, the paper said.”), <http://www.nytimes.com/1999/09/03/business/ex-broker-faces-broader-federal-charges.html>; see also, e.g., David Kocieniewski & Tim Golden, *Campaign Inquiry On Torricelli Aides Said to Be Renewed*, N.Y. Times (July 22, 2000), <http://www.nytimes.com/2000/07/22/nyregion/campaign-inquiry-on-torricelli-aides-said-to-be-renewed.html>; Chris Mondics, *No charges as Torricelli inquiry ends; Fund-raising in his 1996 race was scrutinized. He had long said he would be cleared*, Phila. Inquirer (Jan. 4, 2002), http://articles.philly.com/2002-01-04/news/25343037_1_david-chang-federal-probe-criminal-investigation.

EXHIBIT A

In the Matter of: Charles L. Hill, Jr.,
Administrative Proceeding File No. 3-16383

**Summary of Insider Trading Cases Brought by the SEC
Against Individuals from July 22, 2010 through September 27, 2016¹**

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
1.	07/29/2010	Samuel E. Wyly	S.D.N.Y.	Unregulated	Contested	10(b); 17(a); 14(e)
2.	07/29/2010	Charles J. Wyly, Jr.	S.D.N.Y.	Unregulated	Contested	10(b); 17(a); 14(e)
3.	07/29/2010	Michael C. French	S.D.N.Y.	Unregulated	Contested	10(b); 17(a); 14(e)
4.	07/29/2010	Louis J. Schaufele III	S.D.N.Y.	Regulated	Contested	10(b); 17(a); 14(e)
5.	08/04/2010	Thomas P. Flanagan	N.D. Ill.	Unregulated	Contested	10(b); 14(e)
6.	08/04/2010	Patrick T. Flanagan	N.D. Ill.	Unregulated	Contested	10(b); 14(e)
7.	08/25/2010	Juan Jose Fernandez Garcia	N.D. Ill.	Unregulated	Contested	10(b); 14(e)
8.	08/25/2010	Luis Marin Caro Sanchez	N.D. Ill.	Unregulated	Contested	10(b); 14(e)
9.	09/01/2010	James W. Self, Jr.	E.D. Pa.	Unregulated	Contested	10(b)
10.	09/01/2010	Stephen R. Goldfield	E.D. Pa.	Unregulated	Contested	10(b)
11.	09/10/2010	Bobby V. Khan	N.D. Ga.	Unregulated	Contested	10(b); 14(e)
12.	09/24/2010	Michael Jobe	N.D. Tex.	Unregulated	Settlement-only	10(b)
13.	09/24/2010	Richard Vlasich	N.D. Tex.	Unregulated	Settlement-only	10(b)
14.	09/27/2010	Richard A. Hansen	E.D. Pa.	Regulated	Settlement-only	10(b)
15.	09/27/2010	Stuart Kobrovsky	E.D. Pa.	Unregulated; previously regulated retired licensed stockbroker	Settlement-only	10(b)
16.	09/30/2010	W. Gary Griffiths	N.D. Ill.	Unregulated	Contested	10(b)
17.	09/30/2010	Rex C. Steffes	N.D. Ill.	Unregulated	Contested	10(b)
18.	09/30/2010	Cliff M. Steffes	N.D. Ill.	Unregulated	Contested	10(b)

¹ Omitted from this chart are (1) proceedings against relief defendants not charged with any substantive offense and (2) follow-on APs filed after the conclusion of federal court litigation against the same defendant/respondent. For the period before January 1, 2015, the chart relies on and incorporates the analysis set forth in a chart of contested insider trading cases submitted in *Peixoto v. SEC*, No. 1:14-cv-08364-WHP (S.D.N.Y. Jan. 30, 2015), ECF No. 1-1, Exhibit D, and the 2010-2014 Insider Trading Summaries prepared by the law firm of Morrison & Foerster, which chronicle all post-Dodd-Frank insider trading cases through December 31, 2014. See Motion at 2 n.5.

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
19.	09/30/2010	Robert J. Steffes	N.D. Ill.	Unregulated	Settlement-only	10(b)
20.	09/30/2010	Rex R. Steffes	N.D. Ill.	Unregulated	Contested	10(b)
21.	09/30/2010	Bret W. Steffes	N.D. Ill.	Unregulated	Contested	10(b)
22.	10/06/2010	Marleen Jantzen	N.D. Tex.	Unregulated	Contested	10(b); 14(e)
23.	10/06/2010	John Jantzen	N.D. Tex.	Regulated	Contested	10(b); 14(e)
24.	10/30/2010	Annabel McClellan	N.D. Cal.	Unregulated	Settlement-only	10(b)
25.	11/10/2010	Yves Benhamou	S.D.N.Y.	Unregulated	Contested	10(b); 17(a)
26.	11/10/2010	Dr. Joseph F. Skowron	S.D.N.Y.	Regulated	Contested	10(b)
27.	11/12/2010	Franz Tudor	S.D.N.Y.	Regulated	Settlement-only	10(b)
28.	12/07/2010	Jeffery J. Temple	D. Del.	Unregulated	Contested	10(b); 14(e)
29.	12/07/2010	Benedict M. Pastro	D. Del.	Unregulated	Contested	10(b); 14(e)
30.	01/10/2011	Shammara Hussain	S.D.N.Y.	Unregulated	Settlement-only	10(b); 17(a)
31.	01/10/2011	Jeffrey Yokuty	S.D.N.Y.	Regulated	Settlement-only	10(b); 17(a)
32.	01/10/2011	Robert Feinblatt	S.D.N.Y.	Regulated	Settlement-only	10(b); 17(a)
33.	01/10/2011	Sunil Bhalla	S.D.N.Y.	Unregulated	Settlement-only	10(b)
34.	01/13/2011	Robert McCullough Jr.	N.D. Ill.	Regulated	Settlement-only	14(a)
35.	01/13/2011	Daniel J. Burns	N.D. Ill.	Unregulated	Contested	10(b); 14(a); 17(a)
36.	01/14/2011	George Holley	D.N.J.	Unregulated	Contested	10(b); 14(e)
37.	01/14/2011	Steven Dudas	D.N.J.	Unregulated	Contested	10(b); 14(e)
38.	01/14/2011	Phairot Iamnaita	D.N.J.	Unregulated	Contested	10(b); 14(e)
39.	01/14/2011	Joseph D. Radcliff	D.D.C.	Unregulated	Settlement-only	10(b); 17(a)
40.	01/26/2011	Adam Smith	S.D.N.Y.	Regulated	Settlement-only	10(b)
41.	01/26/2011	Michael Cardillo	S.D.N.Y.	Regulated	Settlement-only	10(b)
42.	02/03/2011	Mark Anthony Longoria	S.D.N.Y.	Unregulated	Contested	10(b); 17(a)
43.	02/03/2011	Daniel L. DeVore	S.D.N.Y.	Unregulated	Contested	10(b); 17(a)
44.	02/03/2011	Winifred Jiau	S.D.N.Y.	Unregulated	Contested	10(b); 17(a)
45.	02/03/2011	Walter Shmoon	S.D.N.Y.	Unregulated	Contested	10(b); 17(a)
46.	02/03/2011	Bob Nguyen	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
47.	02/03/2011	James Fleishman	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
48.	02/03/2011	Samir Barai	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
49.	02/03/2011	Jason Pflaum	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
50.	02/03/2011	Noah Freeman	S.D.N.Y.	Regulated	Contested	10(b); 17(a)

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
51.	02/03/2011	Donald Longueuil	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
52.	02/16/2011	Zhenyu Ni	N.D. Cal.	Unregulated	Settlement-only	10(b); 14(e)
53.	03/07/2011	Todd Leslie Treadway	S.D.N.Y.	Unregulated	Contested	10(b); 14(e)
54.	03/08/2011	Joseph A. Dawson	N.D. Ill.	Regulated	Settlement-only	10(b); 17(a)
55.	03/17/2011	Patrick M. Carroll	W.D. Ky.	Unregulated	Contested	10(b)
56.	03/17/2011	James P. Carroll	W.D. Ky.	Unregulated	Contested	10(b)
57.	03/17/2011	William T. Carroll	W.D. Ky.	Unregulated	Contested	10(b)
58.	03/17/2011	David A. Stitt	W.D. Ky.	Unregulated	Contested	10(b)
59.	03/17/2011	John P. Monroe	W.D. Ky.	Unregulated	Contested	10(b)
60.	03/17/2011	Stephen Somers	W.D. Ky.	Unregulated	Contested	10(b)
61.	03/17/2011	David Mark Calcutt	W.D. Ky.	Unregulated	Contested	10(b)
62.	03/17/2011	Christopher T. Calcutt	W.D. Ky.	Unregulated	Contested	10(b)
63.	03/18/2011	Kim Ann Deskovick	D.N.J.	Unregulated	Settlement-only	10(b)
64.	03/18/2011	Brian S. Haig	D.N.J.	Unregulated; CPA who apparently did not practice before the SEC	Settlement-only	10(b)
65.	03/23/2011	Daniel F. Wiener	E.D. Va.	Unregulated	Settlement-only	10(b)
66.	03/24/2011	Mark A. Duffell	N.D. Cal.	Unregulated	Settlement-only	10(b)
67.	03/29/2011	Cheng Yi Liang	D. Md.	Unregulated	Contested	10(b); 17(a)
68.	04/06/2011	Matthew Kluger	D.N.J.	Unregulated	Contested	10(b); 14(e)
69.	04/06/2011	Garrett Bauer	D.N.J.	Regulated	Contested	10(b); 14(e)
70.	04/06/2011	Kenneth T. Robinson	D.N.J.	Unregulated	Contested	10(b); 14(e)
71.	04/28/2011	Jonathan Hollander	S.D.N.Y.	Regulated	Settlement-only	10(b)
72.	05/11/2011	Dennis Higgins	S.D. Tex.	Unregulated	Settlement-only	10(b); 17(a)
73.	05/18/2011	Mary Beth Knight	D. Ariz.	Unregulated	Settlement-only	10(b); 17(a)
74.	05/18/2011	Rebecca Norton	D. Ariz.	Unregulated	Settlement-only	10(b); 17(a)
75.	05/24/2011	Abraham Haim	D.N.J.	Unregulated	Settlement-only	10(b)
76.	05/26/2011	Donald L. Johnson	S.D.N.Y.	Unregulated	Contested	10(b)
77.	05/26/2011	Gregory A. Seib	N.D. Ga.	Unregulated	Settlement-only	10(b)
78.	06/03/2011	Dean Goetz	S.D. Cal.	Unregulated	Settlement-only	10(b); 14(e)

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
79.	06/14/2011	Thomas C. Hardin	S.D.N.Y.	Regulated	Settlement-only	10(b); 17(a)
80.	07/19/2011	Robert Doyle	S.D.N.Y.	Unregulated	Settlement-only	10(b)
81.	07/19/2011	Howard Wildstein	D.D.C.	Unregulated	Settlement-only	10(b); 14(e)
82.	08/03/2011	William Marovitz	N.D. Ill.	Unregulated	Settlement-only	10(b); 17(a)
83.	08/04/2011	Doug DeCinces	C.D. Cal.	Unregulated	Contested	10(b); 14(e)
84.	08/04/2011	Joseph J. Donohue	C.D. Cal.	Unregulated	Contested	10(b); 14(e)
85.	08/04/2011	Scott Jackson	C.D. Cal.	Unregulated	Contested	10(b); 14(e)
86.	08/04/2011	Roger A. Wittenbach	C.D. Cal.	Unregulated	Contested	10(b); 14(e)
87.	08/05/2011	H. Clayton Peterson	S.D.N.Y.	Unregulated	Contested	10(b)
88.	08/05/2011	Drew Peterson	S.D.N.Y.	Regulated	Contested	10(b)
89.	08/05/2011	Drew "Bo" Brownstein	S.D.N.Y.	Regulated	Contested	10(b)
90.	08/11/2011	Toby G. Scammell	C.D. Cal.	Unregulated	Contested	10(b)
91.	08/30/2011	James Li	D. Ariz.	Unregulated	Settlement-only	10(b); 17(a)
92.	08/30/2011	Thomas Chow	D. Ariz.	Unregulated	Settlement-only	10(b); 17(a)
93.	08/31/2011	Anthony Scolaro	S.D.N.Y.	Regulated	Settlement-only	10(b)
94.	08/31/2011	Scott A. Vollmar	D.N.J.	Unregulated	Contested	10(b); 14(e); 17(a)
95.	08/31/2011	James F. Turner II	D.N.J.	Regulated	Contested	10(b); 14(e); 17(a)
96.	08/31/2011	Mark A. Durbin	D.N.J.	Unregulated	Contested	10(b); 14(e); 17(a)
97.	08/31/2011	Scott A. Robarge	D.N.J.	Unregulated	Contested	10(b); 14(e); 17(a)
98.	09/15/2011	Scott Allen	S.D.N.Y.	Unregulated	Contested	10(b); 14(e)
99.	09/15/2011	John Michael Bennett	S.D.N.Y.	Unregulated	Contested	10(b); 14(e)
100.	09/21/2011	Spencer Mindlin	AP ²	Regulated	Contested initially, ultimately settled	10(b); 17(a)
101.	09/21/2011	Alfred C. Mindlin	AP	Unregulated	Contested initially, ultimately settled	10(b); 17(a)
102.	10/11/2011	M. Jason Hanold	N.D. Ill.	Unregulated	Settlement-only	10(b)

² All APs are highlighted in yellow.

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
103.	10/26/2011	Rajat K. Gupta ³	AP/S.D.N.Y.	Unregulated, but at the time of alleged misconduct sat on the boards of two large publicly-traded companies, one of which was a leading global investment banking, securities and investment management firm subject to comprehensive SEC regulation	Contested	10(b); 17(a)
104.	10/26/2011	Raj Rajaratnam	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
105.	11/18/2011	Mark Konyndyk	D.D.C.	Regulated; CPA and manager at Big 4 accounting firm at time of the alleged misconduct	Settlement-only	14(e)
106.	11/25/2011	Jeffrey Richardson	S.D.N.Y.	Unregulated	Settlement-only	10(b);
107.	12/05/2011	Sha Chen	N.D. Ill.	Unregulated	Contested	10(b)
108.	12/05/2011	Song Li	N.D. Ill.	Unregulated	Contested	10(b)
109.	12/05/2011	Lili Wang	N.D. Ill.	Unregulated	Contested; settled	10(b)
110.	12/05/2011	Zhi Yao	N.D. Ill.	Unregulated	Contested	10(b)
111.	12/05/2011	Jie Meng	N.D. Ill.	Unregulated	Settlement-only	10(b)
112.	12/21/2011	John R. Easom	D.N.J.	Unregulated	Settlement-only	10(b)
113.	12/21/2011	William Echeverri	D.N.J.	Regulated	Settlement-only	10(b)
114.	12/21/2011	Victor Echeverri	D.N.J.	Unregulated	Settlement-only	10(b)
115.	12/21/2011	Robert Miketich	D.N.J.	Unregulated	Settlement-only	10(b)
116.	12/21/2011	Joseph Mancuso	D.N.J.	Regulated	Settlement-only	10(b)
117.	12/21/2011	Paul Qassis	D.N.J.	Unregulated	Settlement-only	10(b)
118.	12/21/2011	Gary Saggi	D.N.J.	Unregulated	Settlement-only	10(b)
119.	01/13/2012	Farzin Bazshushtari	C.D. Cal.	Unregulated	Settlement-only	10(b)

³ The SEC originally filed their action against Gupta as an administrative proceeding, however Gupta successfully sued to have the action dismissed, and the SEC later filed a complaint in district court.

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
120.	01/18/2012	Jesse Tortora	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
121.	01/18/2012	Sandeep "Sandy" Goyal	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
122.	01/18/2012	Todd Newman	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
123.	01/18/2012	Spyridon "Sam" Adondakis	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
124.	01/18/2012	Anthony Chiasson	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
125.	01/18/2012	Jon Horvath	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
126.	01/18/2012	Danny Kuo	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
127.	01/18/2012	Hyung Lim	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
128.	01/24/2012	Dale Shafer	S.D. Ohio	Apparently regulated CFO of a public company	Settlement-only	10(b)
129.	01/24/2012	Joseph Mroz	S.D. Ohio	Unregulated	Settlement-only	10(b)
130.	01/24/2012	Jason Gonski	S.D. Ohio	Unregulated	Settlement-only	10(b)
131.	01/24/2012	Robert Ward	S.D. Ohio	Unregulated	Settlement-only	10(b)
132.	01/24/2012	Stanley Lewis	S.D. Ohio	Unregulated	Settlement-only	10(b)
133.	01/24/2012	Jamie Lewis	S.D. Ohio	Unregulated	Settlement-only	10(b)
134.	01/24/2012	Benjamin Lewis	S.D. Ohio	Unregulated	Settlement-only	10(b)
135.	02/09/2012	Brent C. Bankosky	S.D.N.Y.	Unregulated	Contested	10(b); 14(e)
136.	02/13/2012	Douglas F. Whitman	S.D.N.Y.	Unregulated	Contested	10(b); 17(a)
137.	02/17/2012	John Kinnucan	S.D.N.Y.	Unregulated	Contested	10(b)
138.	03/05/2012	William Duncan	C.D. Cal.	Unregulated	Settlement-only	10(b)
139.	03/05/2012	John Williams	E.D. Pa.	Regulated	Settlement-only	10(b)
140.	03/08/2012	Steven J. Harrold	C.D. Cal.	Unregulated	Contested	10(b)
141.	03/14/2012	Timothy J. McGee	E.D. Pa.	Regulated	Contested	10(b)
142.	03/14/2012	Michael W. Zirinsky	E.D. Pa.	Regulated	Contested	10(b)
143.	03/14/2012	Robert Zirinsky	E.D. Pa.	Unregulated	Contested	10(b)
144.	03/14/2012	Paulo Lam	E.D. Pa.	Unregulated	Contested	10(b)
145.	03/14/2012	Marianna sze wan Ho	E.D. Pa.	Unregulated	Contested	10(b)
146.	03/15/2012	Sherif Mityas	E.D.N.Y.	Unregulated	Settlement-only	10(b)
147.	03/16/2012	Noah Griggs	C.D. Cal.	Unregulated	Settlement-only	10(b)
148.	03/27/2012	Michael Sarkesian	S.D.N.Y.	Unregulated	Settlement-only	10(b)
149.	05/07/2012	Angela Milliard	D. Mont.	Unregulated	Settlement-only	10(b); 14(e)

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
150.	05/07/2012	Kenneth Milliard	D. Mont.	Unregulated	Settlement-only	10(b); 14(e)
151.	05/08/2012	Robert Reza Amin	C.D. Cal.	Unregulated	Contested	10(b)
152.	05/08/2012	Mohammed Mark Amin	C.D. Cal.	Unregulated	Contested	10(b)
153.	05/08/2012	Michael Mahmood Amin	C.D. Cal.	Unregulated	Contested	10(b)
154.	05/08/2012	Sam Saeed Pimazar	C.D. Cal.	Unregulated	Contested	10(b)
155.	05/08/2012	Mary Coley	C.D. Cal.	Unregulated	Contested	10(b)
156.	05/08/2012	Ali Tashakori	C.D. Cal.	Unregulated	Contested	10(b)
157.	05/11/2012	Frank Lynn Blystone	E.D. Cal.	Unregulated	Settlement-only	10(b); 17(a)
158.	05/22/2012	Robert W. Kwok	S.D.N.Y.	Unregulated	Contested	10(b)
159.	05/22/2012	Reema D. Shah	S.D.N.Y.	Regulated	Contested	10(b)
160.	05/24/2012	Stephen Guth	D.D.C.	Unregulated	Settlement-only	14(e)
161.	06/01/2012	Charles Mazur Jr.	W.D. Pa.	Unregulated	Settlement-only	10(b);
162.	06/01/2012	Joseph Cerenzia	W.D. Pa.	Unregulated	Settlement-only	10(b); 17(a)
163.	06/01/2012	James Poland	W.D. Pa.	Unregulated	Settlement-only	10(b); 17(a)
164.	06/10/2012	Apparao Mukkamala	E.D. Mich.	Unregulated	Contested	10(b)
165.	06/10/2012	Suresh Anne	E.D. Mich.	Unregulated	Contested	10(b)
166.	06/10/2012	Jitendra Prasad Katneni	E.D. Mich.	Unregulated	Contested	10(b)
167.	06/10/2012	Rao A.K. Yalamanchili	E.D. Mich.	Unregulated	Contested	10(b)
168.	06/10/2012	Mllikarjunarao Anne	E.D. Mich.	Unregulated	Contested	10(b)
169.	06/20/2012	Manouchehr Moshayedi	C.D. Cal.	Unregulated	Contested	10(b); 17(a)
170.	06/27/2012	Tai Nguyen	S.D.N.Y.	Unregulated	Contested	10(b); 17(a)
171.	06/27/2012	ThanhHa Bao	S.D.N.Y.	Unregulated	Contested	10(b); 17(a)
172.	07/27/2012	Choo Eng Hong	S.D.N.Y.	Unregulated	Settlement-only	10(b)
173.	07/27/2012	Ren Feng	S.D.N.Y.	Unregulated	Settlement-only	10(b)
174.	07/27/2012	Zeng Huiyu	S.D.N.Y.	Unregulated	Settlement-only	10(b)
175.	07/27/2012	Wong Chi Yu	S.D.N.Y.	Unregulated	Settlement-only	10(b)
176.	07/27/2012	Wang Wei	S.D.N.Y.	Unregulated	Settlement-only	10(b)
177.	07/27/2012	Wang Zhi Hua	S.D.N.Y.	Unregulated	Settlement-only	10(b)

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
178.	07/30/2012	Peter Siris	S.D.N.Y.	Unregulated; previously regulated registered representative of a broker-dealer	Settlement-only	10(b)
179.	08/03/2012	Robert D. Ramnarine	D.N.J.	Unregulated	Contested	10(b); 14(e); 17(a)
180.	08/17/2012	James V. Mazzo	C.D. Cal.	Unregulated	Contested	10(b); 14(e)
181.	08/17/2012	Eddie Murray	C.D. Cal.	Unregulated	Contested	10(b); 14(e)
182.	08/17/2012	David L Parker	C.D. Cal.	Unregulated	Contested	10(b); 14(e)
183.	08/20/2012	James Lieberman	D. Colo.	Unregulated	Settlement-only	10(b)
184.	08/28/2012	Peter C. Doffing	N.D. Ga.	Unregulated	Contested	10(b); 14(e)
185.	08/28/2012	Thomas D. Melvin	N.D. Ga.	Regulated	Contested	10(b); 14(e)
186.	08/28/2012	Michael S. Cain	N.D. Ga.	Regulated	Contested	10(b); 14(e)
187.	08/28/2012	Joel C. Jinks	N.D. Ga.	Unregulated	Contested	10(b); 14(e)
188.	09/04/2012	R. Jeffrey Rooks	N.D. Ga.	Unregulated	Contested	10(b); 14(e)
189.	09/04/2012	C. Roan Berry	N.D. Ga.	Unregulated	Contested	10(b); 14(e)
190.	09/04/2012	Ashley J. Coots	N.D. Ga.	Unregulated	Contested	10(b); 14(e)
191.	09/04/2012	Casey D. Jackson	N.D. Ga.	Unregulated	Contested	10(b); 14(e)
192.	09/06/2012	Renee White Fraser	C.D. Cal.	Unregulated	Contested	10(b)
193.	09/06/2012	Arthur Reed	N.D. Ill.	Unregulated	Settlement-only	10(b)
194.	09/06/2012	Allan Derusha	N.D. Ill.	Unregulated	Settlement-only	10(b)
195.	09/20/2012	H. Thomas Davis, Jr.	E.D.N.C.	Unregulated	Contested	10(b)
196.	09/20/2012	Mark W. Baggett	N.D. Ga.	Unregulated	Contested	10(b)
197.	09/20/2012	Kenneth F. Wrangell	E.D.N.C.	Unregulated	Contested	10(b)
198.	09/21/2012	Waldyr Da Silva Prado Neto	S.D.N.Y.	Regulated	Contested	10(b); 14(e)
199.	09/25/2012	Gilbert Lundstrom	D. Neb.	Unregulated	Settlement-only	10(b)
200.	09/25/2012	James Laphen	D. Neb.	Unregulated	Settlement-only	10(b)
201.	09/25/2012	Trevor Lundstrom	D. Neb.	Unregulated	Settlement-only	10(b)
202.	09/25/2012	Don Langford	D. Neb.	Unregulated	Contested	10(b)
203.	09/27/2012	Jauyo "Jason" Lee	N.D. Cal.	Unregulated	Contested	10(b); 14(e)
204.	09/27/2012	Victor Chen	N.D. Cal.	Unregulated	Contested	10(b); 14(e)
205.	10/24/2012	Kris Chellam	S.D.N.Y.	Unregulated	Settlement-only	10(b); 17(a)
206.	10/25/2012	Frank A. LoBue	S.D.N.Y.	Unregulated	Settlement-only	10(b)

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
207.	11/19/2012	John Lazorchak	D.N.J.	Unregulated	Contested	10(b); 14(e); 17(a)
208.	11/19/2012	Mark S. Cupo	D.N.J.	Unregulated	Contested	10(b); 14(e); 17(a)
209.	11/19/2012	Mark D. Foldy	D.N.J.	Unregulated	Contested	10(b); 14(e); 17(a)
210.	11/19/2012	Michael Castelli	D.N.J.	Unregulated	Contested	10(b); 14(e); 17(a)
211.	11/19/2012	Lawrence Grum	D.N.J.	Unregulated	Contested	10(b); 14(e); 17(a)
212.	11/19/2012	Michael T. Pendolino	D.N.J.	Unregulated	Contested	10(b); 14(e); 17(a)
213.	11/19/2012	James N. Deprado	D.N.J.	Unregulated	Contested	10(b); 14(e); 17(a)
214.	11/20/2012	Dr. Sydney Gilman	S.D.N.Y.	Unregulated	Contested	10(b); 17(a)
215.	11/20/2012	Matthew Martoma	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
216.	11/30/2012	I. Joseph Massoud	D. Conn.	Unregulated	Settlement-only	10(b)
217.	11/30/2012	Igor Cornelsen	S.D.N.Y.	Unregulated	Contested	10(b)
218.	12/06/2012	John Femenia	W.D.N.C.	Regulated	Contested	10(b)
219.	12/06/2012	Shawn Hegedus	W.D.N.C.	Regulated	Contested	10(b)
220.	12/06/2012	Matthew J. Musante	W.D.N.C.	Unregulated	Contested	10(b)
221.	12/06/2012	Aaron M. Wens	W.D.N.C.	Unregulated	Contested	10(b)
222.	12/06/2012	Roger A. Williams	W.D.N.C.	Unregulated	Contested	10(b)
223.	12/06/2012	Kenneth M. Raby	W.D.N.C.	Unregulated	Contested	10(b)
224.	12/06/2012	Frank M. Burgess Jr.	W.D.N.C.	Unregulated	Contested	10(b)
225.	12/06/2012	James A. Hayes, IV	W.D.N.C.	Unregulated	Contested	10(b)
226.	12/06/2012	Danielle C. Laurenti	W.D.N.C.	Unregulated	Contested	10(b)
227.	12/06/2012	Anthony C. Musante	W.D.N.C.	Unregulated	Contested	10(b)
228.	12/11/2012	Steven B. Hart	S.D.N.Y.	Regulated	Settlement-only	10(b); 17(a)
229.	12/13/2012	Sung Kook "Bill" Hwang	D.N.J.	Regulated	Contested	10(b); 17(a); 206
230.	12/13/2012	Raymond Y.H. Park	D.N.J.	Regulated	Contested	10(b); 17(a); 206
231.	12/26/2012	Trent Martin	S.D.N.Y.	Regulated	Contested	10(b)
232.	12/26/2012	Thomas C. Conradt	S.D.N.Y.	Regulated	Contested	10(b)
233.	12/26/2012	David J. Weishaus	S.D.N.Y.	Regulated	Contested	10(b)
234.	01/07/2013	Eric Rogers	S.D.N.Y.	Regulated	Settlement-only	10(b)
235.	01/25/2013	Kevin L. Dowd	D.N.J.	Regulated	Contested	10(b); 14(e)
236.	01/30/2013	Blake Wellington	D. Or.	Unregulated	Settlement-only	10(b)
237.	01/30/2013	Daniel Vance	D. Or.	Unregulated	Settlement-only	10(b)

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
238.	02/06/2013	James Balchan	SD Tex.	Unregulated	Settlement-only	10(b)
239.	03/11/2013	Michael Dale Lackey	W.D. Tenn.	Unregulated	Settlement-only	10(b); 14(e)
240.	03/22/2013	Juan Carlos Bertini	N.D. Cal.	Unregulated	Settlement-only	10(b)
241.	03/29/2013	David Riley	S.D.N.Y.	Unregulated	Contested	10(b); 17(a)
242.	03/29/2013	Matthew Teeple	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
243.	03/29/2013	John Johnson	S.D.N.Y.	Unregulated	Contested	10(b); 17(a)
244.	03/29/2013	Michael Steinberg	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
245.	04/11/2013	Scott London	C.D. Cal.	Unregulated	Contested	10(b)
246.	04/11/2013	Bryan Shaw	C.D. Cal.	Unregulated	Contested	10(b)
247.	04/15/2013	Scott Reiman	AP	Regulated	Settlement-only	10(b)
248.	04/16/2013	Richard Bruce Moore	S.D.N.Y.	Unregulated	Contested	10(b)
249.	04/22/2013	Mark D. Begelman	S.D. Fla.	Unregulated	Contested	10(b)
250.	05/21/2013	John Anthony Stilwell	S.D.N.Y.	Unregulated	Settlement-only	10(b)
251.	05/21/2013	Dr. Michael Moore	S.D.N.Y.	Unregulated	Settlement-only	10(b)
252.	05/21/2013	Jillian Margaret Murphy	S.D.N.Y.	Unregulated	Settlement-only	10(b)
253.	05/23/2013	Daniel Bergin	N.D. Tex.	Regulated	Contested	10(b)
254.	06/05/2013	Badin Rungruangnavarat	N.D. Ill.	Unregulated	Contested	10(b)
255.	06/05/2013	Michael B. Bartoszek	S.D.N.Y.	Unregulated	Contested	10(b); 17(a)
256.	06/06/2013	Bruce Tomlinson	N.D. Cal.	Unregulated	Settlement-only	10(b)
257.	06/07/2013	Victor Dosti	S.D.N.Y.	Regulated	Settlement-only	10(b)
258.	06/26/2013	Stephen B. Gray	S.D. Tex.	Unregulated	Contested	10(b); 17(a)
259.	07/01/2013	Mack D. Murrell	E.D. Mich.	Unregulated	Contested	10(b)
260.	07/01/2013	David Teekell	E.D. Mich.	Unregulated	Settlement-only	10(b)
261.	07/01/2013	Charles Adams	E.D. Mich.	Regulated	Contested	10(b)
262.	07/25/2013	Richard Lee	S.D.N.Y.	Regulated	Contested	10(b)
263.	07/25/2013	Sandeep Aggarwal	S.D.N.Y.	Regulated	Contested	10(b)
264.	08/01/2013	Cedric Canas Maillard	S.D.N.Y.	Unregulated	Contested	10(b); 14(e)
265.	08/01/2013	Julio Marin Ugedo	S.D.N.Y.	Unregulated		10(b); 14(e)
266.	08/02/2013	Chad McGinnis	D. Conn.	Unregulated	Contested	10(b); 17(a)
267.	08/02/2013	Sergey Pugach	D. Conn.	Unregulated	Contested	10(b); 17(a)
268.	08/12/2013	Joseph M. Tocci	D. Mass.	Unregulated	Settlement-only	10(b)

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
269.	09/03/2013	Phillip J. DeZwirek	S.D.N.Y.	Unregulated	Settlement-only	10(b)
270.	09/19/2013	Tibor Klein	S.D. Fla.	Regulated	Contested	10(b); 14(e)
271.	09/19/2013	Michael Schechtman	S.D. Fla.	Regulated	Contested	10(b); 14(e)
272.	09/20/2013	Kieran Taylor	S.D.N.Y.	Unregulated	Settlement-only	10(b); 17(a)
273.	09/23/2013	Jing Wang	S.D. Cal.	Unregulated	Contested	10(b); 17(a)
274.	09/23/2013	Gary Yin	S.D. Cal.	Regulated	Contested	10(b)
275.	09/23/2013	Lawrence Robbins	S.D.N.Y.	Unregulated	Contested	10(b); 14(e)
276.	10/10/2013	Michael Terpins	S.D.N.Y.	Unregulated	Contested	10(b)
277.	10/10/2013	Rodrigo Terpins	S.D.N.Y.	Unregulated	Contested	10(b)
278.	10/29/2013	Dennis Rosenberg	N.D. Ga.	Regulated	Settlement-only	10(b); 17(a)
279.	11/14/2013	Mark Megalli	N.D. Ga.	Unregulated	Contested	10(b); 17(a)
280.	11/21/2013	Sam Miri	S.D.N.Y.	Unregulated	Settlement-only	10(b)
281.	12/03/2013	Charles Raymond Langston	S.D. Fla.	Unregulated	Contested	10(b); 17(a)
282.	12/20/2013	Brian Jorgenson	W.D. Wash.	Unregulated	Contested	10(b)
283.	12/20/2013	Sean Stokke	W.D. Wash.	Unregulated	Contested	10(b)
284.	01/29/2014	Steven M. Dombrowski	N.D. Ill.	Unregulated	Contested	10(b); 17(a)
285.	02/20/2014	Frank "Perk" Hixon Jr.	W.D. Tex.	Unregulated	Contested	10(b); 14(e)
286.	03/13/2014	Ronald N. Dennis	S.D.N.Y.	Regulated	Settlement-only	10(b); 17(a)
287.	03/19/2014	Steven Metro	D.N.J.	Unregulated	Settlement-only	10(b); 14(e); 17(a)
288.	03/19/2014	Vladimir Eydelman	D.N.J.	Regulated	Settlement-only	10(b); 14(e); 17(a)
289.	03/31/2014	Tyrone Hawk	N.D. Cal.	Unregulated	Settlement-only	10(b)
290.	03/31/2014	Ching Hwa Chen	N.D. Cal.	Unregulated	Settlement-only	10(b)
291.	04/03/2014	Walter D. Wagner	D Md.	Unregulated	Contested	10(b)
292.	04/03/2014	Alexander J. Osborn	D Md.	Unregulated	Contested	10(b)
293.	04/17/2014	Keith Seilhan	E.D. La.	Unregulated	Settlement-only	10(b); 17(a)
294.	04/21/2014	Loretta Itri	D.N.J.	Unregulated	Settlement-only	10(b); 17(a)
295.	04/21/2014	Neil Moskowitz	D.N.J.	Unregulated	Settlement-only	10(b); 17(a)
296.	04/21/2014	Mathew Cashin	D.N.J.	Unregulated	Settlement-only	10(b); 17(a)

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
297.	04/23/2014	Chris Choi	S.D.N.Y.	Unregulated	Settlement-only	10(b); 17(a)
298.	04/29/2014	Christopher Saridakis	E.D. Pa.	Unregulated	Settlement-only	10(b)
299.	04/29/2014	Jules Gardner	E.D. Pa.	Unregulated	Settlement-only	10(b)
300.	05/12/2014	Herbert Richard Lawson	N.D. Cal.	Unregulated	Settlement-only	10(b); 17(a)
301.	05/12/2014	William Lawson	N.D. Cal.	Unregulated	Settlement-only	10(b); 17(a)
302.	05/12/2014	John Cerullo	N.D. Cal.	Unregulated	Settlement-only	10(b); 17(a)
303.	05/13/2014	Derek Cohen	S.D. Cal.	Unregulated	Contested	10(b)
304.	05/13/2014	Robert Herman	S.D. Cal.	Unregulated	Contested	10(b)
305.	05/13/2014	Michael Fleischli	S.D. Cal.	Unregulated	Contested	10(b)
306.	05/19/2014	Franklin Chu	C.D. Cal.	Unregulated	Settlement-only	10(b); 17(a)
307.	05/19/2014	Daniel Lama	C.D. Cal.	Unregulated	Settlement-only	10(b); 17(a)
308.	05/22/2014	Glenn Cohen	S.D.N.Y.	Unregulated	Settlement-only	10(b)
309.	05/22/2014	Craig Cohen	S.D.N.Y.	Unregulated	Settlement-only	10(b)
310.	05/22/2014	Marc Cohen	S.D.N.Y.	Unregulated	Settlement-only	10(b)
311.	05/22/2014	Steven Cohen	S.D.N.Y.	Unregulated	Settlement-only	10(b)
312.	05/22/2014	Laurie Topal	S.D.N.Y.	Unregulated	Settlement-only	10(b)
313.	06/13/2014	Roshaiial Changanlal	N.D. Cal.	Unregulated	Contested	10(b)
314.	06/13/2014	Saleem Khan	N.D. Cal.	Unregulated	Contested	10(b)
315.	06/13/2014	Ranjan Menonsa	N.D. Cal.	Unregulated	Contested	10(b)
316.	06/13/2014	Ammar Akbari	N.D. Cal.	Unregulated	Contested	10(b)
317.	06/25/2014	Benjamin Durant III	S.D.N.Y.	Regulated	Contested	10(b)
318.	06/25/2014	Daryl M. Payton	S.D.N.Y.	Regulated	Contested	10(b)
319.	07/11/2014	Eric McPhail	D. Mass.	Unregulated	Contested	10(b)
320.	07/11/2014	Douglas A Parigian	D. Mass.	Unregulated	Contested	10(b)
321.	07/11/2014	Jamie A. Meadows	D. Mass.	Unregulated	Contested	10(b)
322.	07/11/2014	John J. Gilmartin	D. Mass.	Unregulated	Settlement-only	10(b)
323.	07/11/2014	Douglas Clapp	D. Mass.	Unregulated	Settlement-only	10(b)
324.	07/11/2014	James A. "Andy" Drohen	D. Mass.	Unregulated	Settlement-only	10(b)
325.	07/11/2014	John C. Drohen	D. Mass.	Unregulated	Settlement-only	10(b)

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
326.	07/22/2014	Kevin McGrath	S.D.N.Y.	Unregulated	Settlement-only	10(b); 17(a)
327.	08/14/2014	Donald S. Toth	N.D. Ga.	Unregulated	Settlement-only	10(b); 14(e)
328.	08/14/2014	James A. Nash	N.D. Ga.	Unregulated	Settlement-only	10(b); 14(e)
329.	08/15/2014	Blair G. Schlossberg	M.D. Fla.	Unregulated	Settlement-only	10(b); 14(e)
330.	08/15/2014	Moshe Manoah	M.D. Fla.	Unregulated	Settlement-only	10(b); 14(e)
331.	08/18/2014	Patrick O'Neill	D. Mass.	Unregulated	Contested	10(b)
332.	08/18/2014	Robert Bray	D. Mass.	Unregulated	Contested	10(b)
333.	08/26/2014	Michael Anthony Dupre Lucarelli	S.D.N.Y.	Unregulated	Contested	10(b); 14(e); 17(a)
334.	09/17/2014	Dimitry Braveman	S.D.N.Y.	Unregulated	Contested	10(b); 14(e)
335.	09/22/2014	Frank Tamayo	D.N.J.	Unregulated	Contested	10(b); 14(e); 17(a)
336.	09/29/2014	Gregory T. Bolan	AP	Regulated	Contested initially, but ultimately settled	10(b); 17(a)
337.	09/29/2014	Joseph Ruggieri	AP	Regulated	Contested	10(b); 17(a)
338.	09/30/2014	Filip Szymik	AP	Unregulated	Settlement-only	10(b)
339.	09/30/2014	Jordan Peixoto	AP	Unregulated	Contested, ultimately dismissed	10(b)
340.	11/04/2014	Steven Durelle Williams	AP	Unregulated	Settlement-only	10(b); 17(a)
341.	11/12/2014	Brent Taylor	AP	Unregulated	Settlement-only	10(b)
342.	11/12/2014	Michael Geist	AP	Unregulated	Settlement-only	10(b)
343.	11/21/2014	Stefano Signorastri	S.D.N.Y.	Unregulated	Settlement-only	10(b); 14(e)
344.	11/21/2014	William Redmond Jr.	S.D.N.Y.	Unregulated	Settlement-only	10(b); 14(e)
345.	11/25/2014	D. Michael Donnelly	E.D. Mo.	Unregulated	Settlement-only	10(b)
346.	12/22/2014	Preetinder Grewal ¹	C.D. Cal.	Unregulated	Settlement-only	17(a); 10(b)
347.	12/22/2014	Shivbir Grewal	C.D. Cal.	Unregulated	Settlement-only	17(a); 10(b)

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
348.	01/21/2015	Robert A. Ramsey ²	AP	Unregulated; tax CPA, who apparently did not practice before the SEC	Settlement-only	10(b)
349.	01/21/2015	Bonan Huang ³⁴	E.D. Pa.	Unregulated	Contested	10(b)
350.	01/21/2015	Nan Huang	E.D. Pa.	Unregulated	Contested	10(b)
351.	02/03/2015	Joel J. Epstein ⁵	E.D. Pa.	Unregulated	Settlement-only	10(b)
352.	02/05/2015	John Gray ⁶	N.D. Cal.	Regulated; equities research analyst at major brokerage firm	Settlement-only	10(b); 14(e)
353.	02/05/2015	Christian Keller	N.D. Cal.	Unregulated	Settlement-only	10(b); 14(e)
354.	02/05/2015	Kyle Martin	N.D. Cal.	Unregulated	Settlement-only	10(b); 14(e)
355.	02/05/2015	Aaron Shepard	N.D. Cal.	Unregulated	Settlement-only	10(b); 14(e)
356.	02/11/2015	Charles L. Hill	AP	Unregulated	Contested	14(e)
357.	02/19/2015	Jesse Roberts ⁷	W.D. La.	Unregulated	Contested	10(b)
358.	02/19/2015	Scott Zeringue	W.D. La.	Unregulated	Settlement-only	10(b)
359.	02/19/2015	Billy Joe Adcox ⁸	W.D. La.	Unregulated	Contested	10(b)
360.	03/02/2015	Gary S. Williky ⁹	SD Ind.	Unregulated; formerly registered, but had settled earlier SEC federal case by agreeing to sanctions, including a securities industry bar; unregistered "investor relations consultant" at time of alleged misconduct	Contested	10(b); 17(a)
361.	04/02/2015	Amit Kanodia ¹⁰	D. Conn.	Unregulated; private equity investor	Contested	10(b)
362.	04/02/2015	Iftikar Ahmed	D. Conn.	Unregulated; apparently formerly registered but not at time of alleged misconduct (general partner at private venture capital firm)	Contested	10(b)
363.	04/29/2015	Yanting Hu	S.D.N.Y.	Unregulated	Contested	10(b)
364.	04/29/2015	Xiaoyu Xia	S.D.N.Y.	Unregulated	Contested	10(b)

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
365.	05/14/2015	Sean R. Stewart ¹¹	S.D.N.Y.	Regulated	Contested	10(b); 14(e)
366.	05/14/2015	Robert K. Stewart	S.D.N.Y.	Regulated; CPA and CFO of a publicly traded company	Contested	10(b); 14(e)
367.	06/03/2015	Steven Fishoff ¹²	D.N.J.	Regulated	Contested	10(b); 17(a)
368.	06/03/2015	Paul Petrello ¹³	D.N.J.	Regulated	Contested	10(b); 17(a)
369.	06/03/2015	Ronald Chernin	D.N.J.	Unregulated	Contested	10(b); 17(a)
370.	06/03/2015	Steven Costantin	D.N.J.	Unregulated	Contested	10(b); 17(a)
371.	06/08/2015	Kenneth Rampino ¹⁴	D.R.I.	Unregulated	Contested	10(b)
372.	06/08/2015	Fred Goldwyn	D.R.I.	Unregulated	Settlement-only	10(b)
373.	06/08/2015	Robert Kielbasa	D.R.I.	Unregulated	Settlement-only	10(b)
374.	06/08/2015	Anthony Andrade	D.R.I.	Unregulated	Contested	10(b)
375.	06/09/2015	Akis C. Eracleous ¹⁵	S.D. Cal.	Regulated	Contested	10(b)
376.	06/09/2015	Chad E. Wiegand	S.D. Cal.	Regulated	Contested	10(b)
377.	06/09/2015	Michael J. Fefferman	S.D. Cal.	Unregulated	Contested	10(b)
378.	06/12/2015	Andrew Miller ¹⁶	S.D.N.Y.	Unregulated	Settlement-only	10(b); 17(a)
379.	06/15/2015	Helmut Anscheringer ¹⁷	AP	Unregulated	Settlement-only	10(b)
380.	07/09/2015	Patrick Lehnert ¹⁸	AP	Unregulated	Settlement-only	10(b)
381.	07/10/2015	Gerard Boudreault	AP	Unregulated	Settlement-only	10(b); 17(a)
382.	07/16/2015	Herbert K. Sudfeld ¹⁹	E.D. Pa.	Unregulated	Contested	10(b)
383.	08/13/2015	Cedric Canas Maillard ^{20,21}	S.D.N.Y.	Unregulated; foreign citizen who was a senior executive at a major European investment bank	Default Judgment	10(b); 14(e)
384.	08/25/2015	Kevan Sadigh ²²	C.D. Cal.	Unregulated	contested	10(b); 14(e)
385.	08/25/2015	Shahriyar Bolandian	C.D. Cal.	Unregulated	contested	10(b); 14(e)
386.	08/25/2015	Ashish Aggarwal	C.D. Cal.	Regulated	contested	10(b); 14(e)
387.	09/04/2015	Donald E. Robar ²³	AP	Unregulated	Settlement-only	10(b)
388.	09/04/2015	Robert A. Hanner ²⁴	AP	Unregulated	Settlement-only	10(b)
389.	09/09/2015	Michael Rawitser ²⁵	N.D. Cal.	Unregulated	Settlement-only	10(b); 14(e)
390.	09/09/2015	John McEnergy IV	N.D. Cal.	Unregulated	Settlement-only	10(b); 14(e)
391.	09/09/2015	John McEnergy III	N.D. Cal.	Unregulated	Settlement-only	10(b); 14(e)
392.	09/23/2015	Richard G. Condon ²⁶	C.D. Cal.	Unregulated	Contested	10(b); 14(e)

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
393.	09/23/2015	Jonathan Ross	C.D. Cal.	Unregulated	Contested	10(b); 14(e)
394.	09/28/2015	Robert L. Spallina ²⁷	D.N.J.	Unregulated	Settlement-only	10(b); 14(e)
395.	09/28/2015	Donald R. Tescher	D.N.J.	Unregulated	Settlement-only	10(b); 14(e)
396.	09/28/2015	Steven G. Rosen	D.N.J.	Unregulated	Settlement-only	10(b); 14(e)
397.	09/28/2015	Thomas J. Palermo	D.N.J.	Regulated	Settlement-only	10(b); 14(e)
398.	09/28/2015	Brian H. Markowitz	D.N.J.	Unregulated	Settlement-only	10(b); 14(e)
399.	09/29/2015	Christopher Mire ²⁸	AP	Unregulated	Settlement-only	10(b)
400.	09/29/2015	Eddie R. Leblanc ²⁹	AP	Unregulated; senior executive at a retail/commercial bank	Settlement-only	10(b)
401.	10/07/2015	Oscar Wu ³⁰	S.D.N.Y.	Regulated	Settlement-only	10(b)
402.	10/09/2015	Nicolas Zanen ³¹	D. Conn.	Regulated	Contested	10(b)
403.	10/09/2015	Francis J. van Steenberge	D. Conn.	Unregulated	Contested	10(b)
404.	11/02/2015	Shirmila O. Doddi ³²	D. Mass.	Unregulated ; financial analyst at commercial bank	Contested	10(b)
405.	11/02/2015	Vlad B. Spivak	D. Mass.	Unregulated	Contested	10(b)
406.	11/9/2015	Zhichen Zhou ³³	S.D.N.Y.	Unregulated	Contested	10(b)
407.	11/9/2015	Yannan Liu	S.D.N.Y.	Unregulated; previously worked as an investment banker and in private equity	Settled after the SEC filed for a TRO and an asset freeze	10(b)
408.	11/17/2015	Steven Watson ³⁴	D. Mass.	Unregulated	Settlement-only	10(b)
409.	11/24/2015	Yue Han ^{35,36}	S.D.N.Y.	Regulated; apparently worked in compliance department at major investment bank	Contested	10(b); 14(e)
410.	12/18/2015	Eric E. Shear ³⁷	AP	Unregulated	Settlement-only	10(b)
411.	12/22/2015	Danny Carpenter ³⁸	AP	Unregulated	Settlement-only	10(b)
412.	12/22/2015	Alwyn T. Wyche, Jr.	AP	Unregulated	Settlement-only	10(b)
413.	12/22/2015	Philip Holley	AP	Unregulated	Settlement-only	10(b)

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
414.	12/22/2015	Wayne K. Soud	AP	Unregulated	Settlement-only	10(b)
415.	01/04/2016	Vivian S. Shields ³⁹	AP	Unregulated	Settlement-only	14(e)
416.	02/05/2016	Dennis Wayne Hamilton ⁴⁰	D. Conn.	Regulated; Tax CPA involved in the preparation of financial statements for a public company	Contested	10(b)
417.	02/05/2016	Robert M. Munakash ⁴¹	C.D. Cal.	Unregulated	Contested	10(b)
418.	02/05/2016	Carlos Rodriguez	C.D. Cal.	Unregulated	Contested	10(b)
419.	02/05/2016	Marc Winters	C.D. Cal.	Regulated	Contested	10(b)
420.	02/09/2016	Jarrold L. Spector ⁴²	AP	Unregulated	Settlement-only	10(b)
421.	02/10/2016	Abdallah Fadel ⁴³	AP	Unregulated	Settlement-only	10(b)
422.	02/19/2016	Nicholas A. Prezioso ⁴⁴	AP	Unregulated	Settlement-only	10(b); 14(e)
423.	03/01/2016	Craig N. Salamone ⁴⁵	AP	Unregulated	Settlement-only	10(b)
424.	03/01/2016	Lawrence M. Gincel ⁴⁶	AP	Unregulated	Settlement-only	10(b)
425.	03/01/2016	Patricia Zajick Metzler ⁴⁷	AP	Unregulated	Settlement-only	10(b)
426.	03/01/2016	Daniel P. Metzler	AP	Unregulated	Settlement-only	10(b)
427.	03/01/2016	Donald C. Zajick	AP	Unregulated	Settlement-only	10(b)
428.	03/09/2016	Jay Y. Fung ⁴⁸	D.N.J.	Unregulated	Settlement-only	10(b); 14(e)
429.	03/16/2016	Eric J. Wolff ⁴⁹	AP	Unregulated	Settlement-only	10(b); 14(e)
430.	03/18/2016	John E. Hardy III ⁵⁰	W.D. Wash.	Unregulated	Settlement-only	10(b)
431.	04/14/2016	John Afriyie ⁵¹	S.D.N.Y.	Regulated	Contested	10(b)
432.	04/20/2011	Giuseppe Tullio Abatemarco	S.D.N.Y.	Unregulated	Settlement-only	10(b); 14(e)
433.	05/02/2016	Peter D. Nunan ⁵²	N.D. Cal.	Unregulated	Settlement-only	10(b); 14(e)
434.	05/19/2016	William Walters	S.D.N.Y.	Unregulated	Contested	10(b)
435.	05/19/2016	Thomas C. Davis	S.D.N.Y.	Unregulated	Contested	10(b)

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
436.	05/31/2016	Steven McClatchey ⁵³	S.D.N.Y.	Unregulated; worked at an investment bank, but was apparently not required to have any securities licenses	Contested	10(b); 14(e)
437.	05/31/2016	Gary Pusey ⁵⁴	S.D.N.Y.	Unregulated	Contested	10(b); 14(e)
438.	06/03/2016	Michael J. Maciocio ⁵⁵	S.D.N.Y.	Unregulated	Contested	10(b)
439.	06/03/2016	David P. Hobson	S.D.N.Y.	Regulated	Contested	10(b)
440.	06/09/2016	Guolin Ma ⁵⁶	N.D. Cal.	Unregulated	Settlement-only	10(b)
441.	06/15/2016	Sanjay Valvani ⁵⁷	S.D.N.Y.	Regulated	Contested	10(b); 17(a)
442.	06/15/2016	Gordon Johnston	S.D.N.Y.	Unregulated	Contested	10(b); 17(a)
443.	06/15/2016	Christopher Plaford	S.D.N.Y.	Regulated	Contested	10(b)
444.	06/15/2016	Stefan Lumiere	S.D.N.Y.	Regulated	Contested	10(b)
445.	06/16/2016	Christopher Salis	N.D. Ind.	Unregulated	Contested	10(b); 14(e)
446.	06/16/2016	Douglas Miller	N.D. Ind.	Unregulated	Contested	10(b); 14(e)
447.	06/16/2016	Edward Miller	N.D. Ind.	Unregulated	Contested	10(b); 14(e)
448.	06/16/2016	Barrett Biehl	N.D. Ind.	Unregulated	Contested	10(b); 14(e)
449.	06/20/2016	James S. Hannon ⁵⁸	D. Mass.	Unregulated	Settlement-only	10(b)
450.	06/29/2016	Andrew F. Kerr ⁵⁹	N.D. Cal.	Unregulated	Contested	10(b)
451.	07/07/2016	Thomas W. Avent Jr. ⁶⁰	N.D. Ga.	Unregulated; unclear, but defendant was a tax CPA, who apparently did not practice before the SEC	Contested	10(b); 14(e)
452.	07/07/2016	Raymond J. Pirrello, Jr.	N.D. Ga.	Regulated	Contested	10(b); 14(e)
453.	07/07/2016	Lawrence J. Penna	N.D. Ga.	Regulated	Contested	14(e)
454.	07/26/2016	Yi Chen ⁶¹	AP	Regulated; CPA who practiced before the SEC	Settlement-only	10(b); 14(e)
455.	08/03/2016	Joseph McVicker	D. Mass.	Unregulated	Settlement-only	10(b)
456.	08/04/2016	Edward J. Kosinski ⁶²	D. Conn.	Unregulated	Contested	10(b); 17(a)
457.	08/11/2016	Paul T. Rampoldi ⁶³	S.D. Cal.	Regulated	Contested	10(b)
458.	08/11/2016	William Scott Blythe III	S.D. Cal.	Unregulated	Contested	10(b)

#	Date of Filing	Defendant	Forum	Regulated or Unregulated	Contested or Settlement-Only	Alleged Violations
459.	09/21/2016	Leon G. Cooperman	E.D. Pa.	Unregulated; hedge fund manager whose firm was registered; manager was apparently not registered at the time of the alleged misconduct	Contested	10(b)
460.	09/22/2016	Colin Whelehan	S.D.N.Y.	Regulated	Settlement-only	10(b)
461.	09/22/2016	Sheren Tsai	S.D.N.Y.	Regulated	Settlement-only	10(b)

¹ <https://www.sec.gov/litigation/litreleases/2014/lr23167.htm>

² <https://www.sec.gov/litigation/admin/2015/34-74108.pdf>

³ <https://www.sec.gov/litigation/litreleases/2015/lr23179.htm>

⁴ <https://www.sec.gov/litigation/litreleases/2016/lr23476.htm>

⁵ <https://www.sec.gov/litigation/litreleases/2015/lr23187.htm>

⁶ <https://www.sec.gov/litigation/litreleases/2015/lr23189.htm>

⁷ <https://www.sec.gov/litigation/litreleases/2015/lr23202.htm>

⁸ <https://www.sec.gov/litigation/litreleases/2015/lr23215.htm>

⁹ <https://www.sec.gov/litigation/litreleases/2015/lr23211.htm>

¹⁰ <https://www.sec.gov/news/pressrelease/2015-56.html>

¹¹ <https://www.sec.gov/news/pressrelease/2015-90.html>

¹² <https://www.sec.gov/news/pressrelease/2015-107.html>

¹³ <https://www.sec.gov/litigation/litreleases/2016/lr23474.htm>

¹⁴ <https://www.sec.gov/litigation/litreleases/2015/lr23278.htm>

¹⁵ <https://www.sec.gov/litigation/litreleases/2015/lr23279.htm>

¹⁶ <https://www.sec.gov/litigation/litreleases/2015/lr23284.htm>

¹⁷ <https://www.sec.gov/news/pressrelease/2015-119.html>

¹⁸ <https://www.sec.gov/litigation/admin/2015/34-75417.pdf>

¹⁹ <https://www.sec.gov/litigation/litreleases/2015/lr23305.htm>

²⁰ <https://www.sec.gov/litigation/litreleases/2015/lr23316.htm>

²¹ <https://www.sec.gov/litigation/litreleases/2016/lr23625.htm>

²² <https://www.sec.gov/litigation/litreleases/2015/lr23327.htm>

²³ <https://www.sec.gov/litigation/admin/2015/34-75848.pdf>

²⁴ <https://www.sec.gov/litigation/admin/2015/34-75847.pdf>

²⁵ <https://www.sec.gov/litigation/litreleases/2015/lr23338.htm>

²⁶ <https://www.sec.gov/litigation/litreleases/2015/lr23359.htm>

²⁷ <https://www.sec.gov/litigation/litreleases/2015/lr23368.htm>

²⁸ <https://www.sec.gov/litigation/admin/2015/34-76027.pdf>

²⁹ <https://www.sec.gov/litigation/admin/2015/34-76026.pdf>

³⁰ <https://www.sec.gov/litigation/litreleases/2015/lr23380.htm>

³¹ <https://www.sec.gov/litigation/litreleases/2015/lr23385.htm>

³² <https://www.sec.gov/litigation/litreleases/2015/lr23398.htm>

³³ <https://www.sec.gov/litigation/litreleases/2015/lr23403.htm>

³⁴ <https://www.sec.gov/litigation/litreleases/2015/lr23408.htm>
³⁵ <https://www.sec.gov/news/pressrelease/2015-267.html>
³⁶ <https://www.sec.gov/litigation/litreleases/2016/lr23491.htm>
³⁷ <https://www.sec.gov/litigation/admin/2015/34-76695.pdf>
³⁸ <https://www.sec.gov/litigation/admin/2015/34-76741.pdf>
³⁹ <https://www.sec.gov/litigation/admin/2016/34-76818.pdf>
⁴⁰ <https://www.sec.gov/news/pressrelease/2016-24.html>
⁴¹ <https://www.sec.gov/litigation/litreleases/2016/lr23460.htm>
⁴² <https://www.sec.gov/litigation/admin/2016/34-77094.pdf>
⁴³ <https://www.sec.gov/litigation/admin/2016/34-77109.pdf>
⁴⁴ <https://www.sec.gov/litigation/admin/2016/34-77185.pdf>
⁴⁵ <https://www.sec.gov/litigation/admin/2016/34-77259.pdf>
⁴⁶ <https://www.sec.gov/litigation/admin/2016/34-77258.pdf>
⁴⁷ <https://www.sec.gov/litigation/admin/2016/34-77257.pdf>
⁴⁸ <https://www.sec.gov/litigation/litreleases/2016/lr23483.htm>
⁴⁹ <https://www.sec.gov/litigation/admin/2016/34-77383.pdf>
⁵⁰ <https://www.sec.gov/litigation/litreleases/2016/lr23492.htm>
⁵¹ <https://www.sec.gov/litigation/litreleases/2016/lr23519.htm>
⁵² <https://www.sec.gov/litigation/litreleases/2016/lr23558.htm>
⁵³ <https://www.sec.gov/litigation/litreleases/2016/lr23552.htm>
⁵⁴ <https://www.sec.gov/news/pressrelease/2016-92.html>
⁵⁵ <https://www.sec.gov/litigation/litreleases/2016/lr23561.htm>
⁵⁶ <https://www.sec.gov/litigation/litreleases/2016/lr23564.htm>
⁵⁷ <https://www.sec.gov/news/pressrelease/2016-119.html>
⁵⁸ <https://www.sec.gov/litigation/litreleases/2016/lr23574.htm>
⁵⁹ <https://www.sec.gov/litigation/litreleases/2016/lr23586.htm>
⁶⁰ <https://www.sec.gov/litigation/litreleases/2016/lr23593.htm>
⁶¹ <https://www.sec.gov/litigation/admin/2016/34-78413.pdf>
⁶² <https://www.sec.gov/litigation/litreleases/2016/lr23611.htm>
⁶³ <https://www.sec.gov/litigation/litreleases/2016/lr23619.htm>

EXHIBIT B

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October 26, 2015

VIA FEDERAL EXPRESS

Walter E. Jospin
Atlanta Regional Director, Division of Enforcement
U.S. Securities and Exchange Commission
950 East Paces Ferry, N.E., Suite 900
Atlanta, GA 30326

Re: *Charles L. Hill, Jr. v. Securities and Exchange Commission*, No. 1:15-cv-01801-LMM (N.D. Ga. June 8, 2015), *appeal pending* No. 15-12831 (11th Cir.)
In the Matter of Charles L. Hill, Jr., Administrative Proceeding File No. 3-16383 (Feb. 11, 2015)

Dear Mr. Jospin:

I am counsel for Charles L. Hill, Jr. in each of the above-referenced matters. As you may be aware, a recent article in the Wall Street Journal chronicled the SEC's declining use of administrative proceedings in contested cases over the past fiscal year. *See* Jean Eaglesham, *SEC Trims Use of In-House Judges*, Wall St. J., Oct. 11, 2015. According to the article, this change occurred following a spring meeting where Andrew J. Ceresney instructed senior staff that "it should send contested cases alleging insider trading or accounting fraud to federal court unless there were good reasons to use . . . SEC judges." *Id.* Those reasons apparently lacking, the article adds that, since bringing charges against Mr. Hill in February of 2015, the SEC "has used the federal courts for all 20 people against whom it has brought contested insider trading charges[.]" *Id.*

We are aware of no reason to distinguish Mr. Hill's case from the 20 that have been brought in federal court since February 2015. Under current policy, I think we all can agree that Mr. Hill's case belongs in federal court. Even before the implementation of this recent policy, it appears that Mr. Hill received disparate treatment by the SEC. Indeed, discovery in Mr. Hill's administrative proceeding revealed that no prior respondent accused solely of a Rule 14e-3 violation had ever been pursued by the Commission in an administrative forum. (See attached.) In any event, I am writing to inform you that we intend to ask that Mr. Ceresney consent to file the case against Mr. Hill in federal court and dismiss the administrative action. We intend to write Mr. Ceresney directly because in our last conversation with the Atlanta staff we were told that all decisions in the case are being made in Washington D.C. at this time.

Walter E. Jospin
October 26, 2015
Page 2

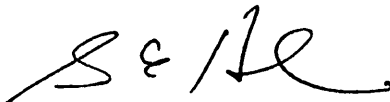
We will also inform Mr. Ceresney that Mr. Hill is prepared to dismiss his federal lawsuit against the SEC (which the SEC has appealed to the U.S. Court of Appeals for the Eleventh Circuit) should the Commission agree to pursue its insider trading case against him in the United States District Court for the Northern District of Georgia.

This potential resolution benefits both sides. It achieves Mr. Hill's interest in defending himself in a judicial forum overseen by an undisputedly constitutionally appointed officer that, among other things, offers him the right to a jury trial. And it also furthers both Mr. Hill's and the SEC's objective in securing an expeditious disposition to this case on the merits.

The potential resolution also removes any cloud of uncertainty hovering over Mr. Hill's federal lawsuit. At this point, it remains unclear when the Eleventh Circuit will issue an opinion in the SEC's appeal of Judge May's preliminary injunction order. And in any event, the party on the losing end will likely petition the Court of Appeals for rehearing en banc. Failing that, a petition to the Supreme Court for certiorari will likely follow. Also, should Mr. Hill ultimately be required to proceed with the administrative proceeding brought against him, he will avail himself of his right to appeal any final adverse order of the Commission to the U.S. Court of Appeals. In short, sticking to the status quo presents both sides with a long road to this case's ultimate disposition.

Please contact me should you wish to discuss Mr. Hill's offer in further detail.

Best regards,



Stephen E. Hudson

Encl.

cc: Matthew F. McNamara