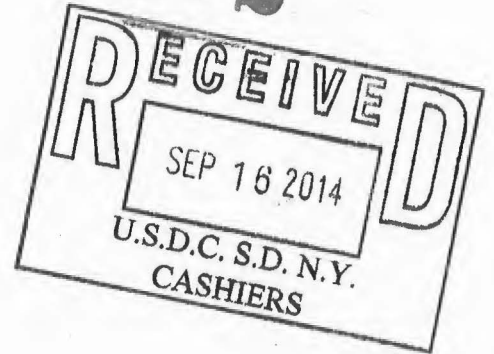


JUDGE BERMAN

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Joseph G. Sansone
Deputy Chief, Market Abuse Unit
Daniel M. Hawke*
Preethi Krishnamurthy
Charu A. Chandrasekhar
Attorneys for Plaintiff
SECURITIES AND EXCHANGE COMMISSION
New York Regional Office
Brookfield Place
200 Vesey Street, Suite 400
New York, NY 10281
(212) 336-0116 (Krishnamurthy)



*Not admitted in the U.S. District Court for the Southern District of New York

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

-against-

DIMITRY BRAVERMAN

Defendant,

-and-

VITALY PUPYNIN,

Relief Defendant.

14-CV-__ (__)

COMPLAINT

JURY TRIAL DEMANDED

Plaintiff Securities and Exchange Commission ("Commission") files this Complaint against Defendant Dimitry Braverman ("Braverman") and Relief Defendant Vitaly Pupynin ("Pupynin"), and alleges as follows:

SUMMARY

1. From 2010 through 2013 (the "Relevant Period"), Braverman illegally traded and tipped a relative to trade based on material, nonpublic information he obtained from his employer,

the law firm Wilson Sonsini Goodrich & Rosati, Professional Corporation (“Wilson Sonsini”). He profited by over \$300,000 from his illegal trading.

2. During the Relevant Period, Wilson Sonsini advised companies on mergers and acquisitions (“M&A”), including through tender offers, and other corporate transactions. The existence, nature, and timing of such deals were highly material to investors. Wilson Sonsini kept this and other information about the deals confidential until the deals were publicly announced.

3. Braverman worked as an information technology (“IT”) employee at Wilson Sonsini. Using his IT credentials or otherwise, Braverman obtained Wilson Sonsini’s electronic information about eight impending deals in which Wilson Sonsini represented one party.

4. On the basis of that information, Braverman purchased stock and stock options in eight companies (the “Companies”), each a party to one of the deals, before the deal announcements. Braverman typically sold his stock or exercised his stock options shortly after the deals were announced to the public.

5. Braverman also tipped his brother (the “Brother”) to purchase stock and stock options in two of the Companies ahead of deal announcements involving those Companies.

6. When Braverman began his insider trading scheme in 2010 and early 2011, he executed his own trades through personal accounts in his name.

7. In April 2011, federal criminal authorities and the Commission charged a Wilson Sonsini lawyer with insider trading in a similar scheme.

8. Over the next few hours, Braverman liquidated the remaining securities he had purchased based on inside information. Two days later, the Brother similarly liquidated his illegal positions.

9. Approximately eighteen months later, in September 2012, Braverman opened (directly or indirectly) a brokerage account in the name of Pupynin, Braverman's relative and a Russian citizen and resident.

10. Braverman used this account (the "Pupynin Account") from November 2012 through December 2013 to continue his illegal insider trading and conceal it from federal authorities.

11. During the Relevant Period, Braverman reaped more than \$300,000 in ill-gotten gains from insider trading in both his account and the Pupynin Account.

12. The Brother profited by over \$1,800 based on Braverman's illegal tips.

VIOLATIONS

13. By virtue of the conduct alleged here, Braverman engaged in insider trading in violation of Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. § 78j(b)], Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5], Section 14(e) of the Exchange Act [15 U.S.C. § 78n(e)], and Rule 14e-3 thereunder [17 C.F.R. § 240.14e-3]. Unless Braverman is permanently restrained and enjoined, he will again engage in the acts, practices and courses of business set forth in this Complaint and in acts, practices and courses of business of similar type and object.

NATURE OF THE PROCEEDINGS AND RELIEF SOUGHT

14. The Commission brings this action under the authority conferred upon it by Section 21(d) of the Exchange Act [15 U.S.C. § 78u(d)]. The Commission seeks to permanently enjoin Braverman from engaging in the transactions, acts, practices, and courses of business alleged in this Complaint, and seeks an order requiring Braverman to disgorge all profits realized or other ill-gotten gains from the unlawful insider trading activity set forth in this Complaint, together with prejudgment interest. The Commission also brings this action, pursuant to Section 21A of the Exchange Act [15 U.S.C. § 78u-1], for civil penalties against Braverman. The Commission further

seeks a final judgment ordering Pupynin to disgorge the ill-gotten gains generated in his account and to pay prejudgment interest thereon.

15. To maintain the *status quo* and preserve assets sufficient for Braverman to pay disgorgement, prejudgment interest and civil penalties and for Pupynin to pay disgorgement and prejudgment interest in accordance with any final judgment of this Court, the Commission seeks emergency relief: (i) imposing asset freezes on Braverman and Pupynin, (ii) requiring Braverman and Pupynin to repatriate all fraudulent proceeds that are now located abroad, outside the Court's jurisdiction, and (iii) preventing the destruction of documents.

JURISDICTION AND VENUE

16. This Court has jurisdiction over this action pursuant to Sections 21A and 27 of the Exchange Act [15 U.S.C. §§ 78u-1 & 78aa].

17. Venue lies in this District pursuant to Section 27 of the Exchange Act [15 U.S.C. § 78aa]. Certain of the acts, practices, transactions, and courses of business alleged in this Complaint occurred within the Southern District of New York. Among other things, venue lies in this District because Braverman undertook insider trading in securities listed on NASDAQ and the NYSE Amex, which are both headquartered in New York City.

FACTS

Defendant and Relief Defendant

18. **Braverman**, age 41, resides in San Mateo, California. During the Relevant Period, Braverman worked as an IT employee at Wilson Sonsini.

19. **Pupynin**, age 69, resides in Yaroslavl, Russian Federation. He is a citizen of the Russian Federation and is a close relative of Braverman.

The Eight Companies

20. **Gymboree Corporation (“Gymboree”)** was a Delaware corporation with headquarters in San Francisco, California. Until Bain Capital Partners, LLC (“Bain Capital”) acquired Gymboree on November 23, 2010 through a tender offer, Gymboree’s common stock was registered with the Commission pursuant to Section 12(b) of the Exchange Act and was listed on the NASDAQ stock market under the ticker symbol “GYMB.” Wilson Sonsini represented Gymboree in its acquisition by Bain Capital.

21. **drugstore.com, Inc. (“drugstore.com”)** was a Delaware corporation with headquarters in Bellevue, Washington. Until Walgreen Company (“Walgreens”) acquired drugstore.com on June 3, 2011, drugstore.com’s common stock was registered with the Commission pursuant to Section 12(b) of the Exchange Act and was listed on the NASDAQ stock market under the ticker symbol “DSCM.” Wilson Sonsini represented drugstore.com in its acquisition by Walgreens.

22. **Epicor Software Corporation (“Epicor”)** was a Delaware corporation with headquarters in Irvine, California. Until Apax Partners L.P. (“Apax”) acquired Epicor on May 16, 2011 through a tender offer, Epicor’s common stock was registered with the Commission pursuant to Section 12(b) of the Exchange Act and was listed on the NASDAQ stock market under the ticker symbol “EPIC.” Wilson Sonsini represented Epicor in its acquisition by Apax.

23. **Seagate Technology PLC (“Seagate”)** is an Irish corporation with headquarters in Dublin, Ireland. Seagate’s common stock is registered with the Commission and is listed on the NASDAQ stock market under the ticker symbol “STX.” Wilson Sonsini represented Seagate in its equity transaction with Samsung Electronics Co., Ltd. (“Samsung”).

24. **YM Biosciences Inc. (“YM Biosciences”)** was a Canadian corporation with headquarters in Ontario, Canada. Until Gilead Sciences, Inc. (“Gilead Sciences”) acquired YM

Biosciences on February 8, 2013, YM Biosciences's common stock was registered with the Commission pursuant to Section 12(b) of the Exchange Act and was listed on the NYSE Amex under the ticker symbol "YMI." Wilson Sonsini represented Gilead Sciences in its acquisition of YM Biosciences.

25. **Astex Pharmaceuticals, Inc. ("Astex")** was a Delaware corporation with headquarters in Dublin, California. Until Otsuka Pharmaceutical Co., Ltd. ("Otsuka") acquired Astex on October 11, 2013 through a tender offer, Astex's common stock was registered with the Commission pursuant to Section 12(b) of the Exchange Act and was listed on the NASDAQ stock market under the ticker symbol "ASTX." Wilson Sonsini represented Astex in its acquisition by Otsuka Pharmaceutical.

26. **Dealertrack Technologies, Inc. ("Dealertrack")** is a Delaware corporation with headquarters in Lake Success, New York. Dealertrack's stock is registered with the Commission pursuant to Section 12(b) of the Exchange Act and is listed on the NASDAQ stock market under the ticker symbol "TRAK." Wilson Sonsini represented Dealer.com in its acquisition by Dealertrak.

27. **Xyratex Ltd. ("Xyratex")** was a Bermuda corporation with headquarters in Havant, United Kingdom. Until Seagate acquired Xyratex on March 31, 2014, Xyratex's common stock was registered with the Commission pursuant to Section 12(b) of the Exchange Act and was listed on the NASDAQ stock market under the ticker symbol "XRTX." Wilson Sonsini represented Seagate in its acquisition of Xyratex.

Background

28. Wilson Sonsini is a global law firm. In 2013, Wilson Sonsini advised clients on more than 110 M&A transactions, with a combined value of more than \$19 billion. Wilson Sonsini has fourteen offices worldwide.

29. At all relevant times, Wilson Sonsini has maintained firmwide policies that require employees to maintain the confidentiality of client-related information and that prohibit insider trading and tipping on the basis of material, non-public information acquired from the firm. At all relevant times, Wilson Sonsini has also required its employees to confirm that they have read and understood these policies and that they agree to abide by them.

30. Since 2000, Braverman has worked for Wilson Sonsini's Palo Alto office in various IT roles, including senior information systems engineer. On the day he joined Wilson Sonsini in 2000, Braverman attested that he had read and understood Wilson Sonsini's client confidentiality and insider trading policies and agreed to abide by them. In April 2011, after the arrest of another Wilson Sonsini employee on insider trading charges, Braverman confirmed his agreement to abide by the firm's prohibitions on insider trading and tipping.

Overview of Braverman's Insider Trading Scheme

31. As an IT employee, Braverman worked on programming and maintaining software for Wilson Sonsini's financial systems. In that capacity, Braverman had access to firm databases that contained information about new client matters, client conflicts checks, billing records, and attorney time sheets. Braverman's access to the firm's IT systems gave him access to material nonpublic information about impending M&A deals in which Wilson Sonsini represented one party. This information included the existence and nature of the impending deals, as well as the identities of the parties and counterparties to those deals.

32. During the Relevant Period, Braverman accessed Wilson Sonsini's material nonpublic information about impending transactions involving the eight Companies: Gymboree, drugstore.com, Epicor, Seagate, YM Biosciences, Astex, Dealertrack, and Xyratex.

33. Braverman owed a fiduciary duty of confidentiality, or an obligation arising from a similar relationship of trust and confidence, to Wilson Sonsini, its clients, and/or its clients'

shareholders to keep material nonpublic information about the eight Companies' transactions — including their existence and nature — confidential.

34. Yet, on the basis of that material nonpublic information, Braverman traded in the securities of each of the Companies and tipped his Brother to trade in Epicor and Seagate. Braverman reaped over \$300,000 in resulting profits. His Brother reaped over \$1,800 in profits from trading on illegal tips from Braverman.

35. Braverman knew (or recklessly disregarded) that Wilson Sonsini's information about the eight Companies' impending transactions was material and nonpublic.

36. Braverman knew (or recklessly disregarded or had reason to know) that he had obtained the information about the impending transactions directly from his employer, that his employer was working on the transactions on behalf of its clients, and that the clients were parties to the transactions.

37. Braverman knew (or recklessly disregarded) that he had a duty to keep information about the eight Companies' impending transactions confidential and to refrain from trading on such information.

38. Braverman misused Wilson Sonsini's material nonpublic client information for his personal benefit. Each time he traded on inside information, Braverman breached his fiduciary duty of confidentiality, or a duty of trust and confidence arising from a similar relationship, to Wilson Sonsini, its clients, and/or its clients' shareholders.

39. When Braverman traded in Gymboree, Astex, and Epicor and tipped his Brother to trade in Epicor, substantial steps had been taken to commence a tender offer for the shares of Gymboree, Astex, and Epicor, respectively.

Braverman's Insider Trading in Gymboree

40. Starting in July 2010, representatives of Gymboree and Bain Capital began discussions about a possible transaction between the entities. On August 9, 2010, Bain Capital signed a confidentiality agreement related to a potential transaction between itself and Gymboree.

41. On September 14, 2010, Wilson Sonsini began working for Gymboree as its legal counsel on Gymboree's impending transaction with Bain Capital. Wilson Sonsini used a code name to keep the deal confidential.

42. From that date through September 30, 2010, Gymboree's stock price traded between \$41.01 and \$44.45.

43. On or before September 28, 2010, Braverman, by virtue of his employment at Wilson Sonsini, obtained material nonpublic information about Bain Capital's impending acquisition of Gymboree.

44. On the basis of that information, on September 28, 2010, Braverman purchased ten Gymboree call options in a personal trading account in his own name for approximately \$567.¹

45. On September 30, 2010, after the close of the U.S. securities markets, the financial press reported that Gymboree was exploring the possibility of a sale to a private equity firm.

46. The next morning, on October 1, 2010, Gymboree's share price opened 20.03% higher than the previous day's closing price. The volume of shares traded that day was 352% higher than the previous day's volume.

¹ Equity call options give the buyer the right, but not the obligation, to purchase a company's stock at a set price (the "strike price") for a certain period of time (through "expiration"). In general, one buys a call option when the stock price is expected to rise, and sells a call option when the stock price is expected to fall. Even if the share price never reaches the strike price, the purchaser can sell the call option for a profit as long as the call option increases in value beyond the purchase price.

47. That day, Braverman sold his Gymboree call options for approximately \$4,983. He made illicit profits of approximately \$4,417.

48. On October 11, 2010, Bain Capital and Gymboree announced that Bain Capital planned to acquire Gymboree through a tender offer for Gymboree's outstanding shares.

49. On October 25, 2010, Bain Capital commenced a tender offer to acquire all of Gymboree's outstanding shares. Bain Capital successfully completed the tender offer on November 23, 2010.

Braverman's Insider Trading in drugstore.com

50. On July 16, 2010, representatives of drugstore.com and Walgreens met to discuss a potential M&A transaction.

51. On January 7, 2011, Wilson Sonsini began working for drugstore.com as its legal counsel on drugstore.com's impending transaction with Walgreens. Wilson Sonsini used a code name to keep the deal confidential.

52. From that date through March 23, 2011, drugstore.com's stock traded at prices between \$1.75 and \$2.39.

53. On or before January 27, 2011, Braverman, by virtue of his employment at Wilson Sonsini, obtained material nonpublic information concerning Walgreens' impending acquisition of drugstore.com.

54. On the basis of that information, Braverman purchased 9,000 shares of drugstore.com stock for a total of approximately \$16,556 on three occasions during the first quarter of 2011: 2,000 shares on January 27, 2011; 2,000 shares on March 22, 2011; and 5,000 shares on March 23, 2011.

55. On March 24, 2011, before the U.S. securities markets opened, Walgreens announced its planned acquisition of drugstore.com. As a result of this announcement,

drugstore.com's share price opened 113% higher that morning than the previous day's closing price. The volume of shares traded that day was 17,303% higher than the previous day's volume.

56. After the announcement, Braverman sold 8,000 shares of drugstore.com for approximately \$30,172 on the morning of March 24, 2011. On March 28, 2011, he sold the remaining 1,000 shares for approximately \$3,811.

57. In total, Braverman made illicit profits of approximately \$17,427 from his trading in drugstore.com.

Braverman's Insider Trading in and Tipping on Epicor

58. Starting in late June 2010, representatives of Apax and Epicor began discussions about a possible transaction between the entities. On August 3, 2010, Apax and Epicor entered into a confidentiality and standstill agreement.

59. On August 10, 2010, Wilson Sonsini began working for Epicor as its legal counsel in connection with Epicor's impending transaction with Apax. Wilson Sonsini used a code name to keep the deal confidential.

60. From that date through April 1, 2011 (the last day of trading before the deal announcement), Epicor's stock traded at prices between \$6.41 and \$11.35.

61. On or before March 25, 2011, Braverman, by virtue of his employment at Wilson Sonsini, obtained material nonpublic information about Apax's impending acquisition of Epicor.

62. On the morning of March 25, 2011, Braverman and his Brother tried to contact each other by phone six times. They spoke at least once for more than four minutes. Approximately twenty minutes after that conversation, the Brother purchased 400 shares of Epicor stock. Approximately two hours later, Braverman and his Brother spoke again by phone for slightly over three minutes.

63. Four days later, on the basis of the information Braverman obtained from Wilson Sonsini, Braverman purchased 785 shares of Epicor stock for approximately \$8,363.

64. On March 31, 2011 and April 1, 2011, Braverman and his Brother had two brief phone contacts. Later on April 1, 2011, his Brother purchased 63 shares of Epicor stock.

65. On April 4, 2011, before the U.S. securities markets opened, Apax announced that it planned to acquire Epicor through a tender offer for Epicor's outstanding shares. That morning, Epicor's share price opened 11% higher than the previous day's closing price. The volume of shares traded that day was 3,983% higher than the previous day's volume.

66. The same morning, after the announcement, Braverman liquidated his entire position in Epicor for approximately \$9,786. He made illicit profits of approximately \$1,422.

67. After selling his own Epicor position, Braverman spoke with his Brother by phone for over four minutes. Less than twenty minutes later, his Brother sold his Epicor holdings for a profit of approximately \$710.

68. On April 11, 2011, Apax commenced a tender offer to acquire all of Epicor's outstanding shares through an entity owned by Apax. Apax successfully completed the tender offer on May 16, 2011.

Braverman's Insider Trading in and Tipping on Seagate

69. By March 1, 2011, Wilson Sonsini had begun working with Seagate as its legal counsel on its impending transaction with Samsung. Wilson Sonsini used a code name to keep the deal confidential.

70. From that date through April 19, 2011, Seagate's stock price ranged from \$12.30 to \$17.84.

71. On or before March 14, 2011, Braverman, by virtue of his employment at Wilson Sonsini, obtained material nonpublic information about Seagate's impending equity transaction with Samsung.

72. On the basis of this information, on March 14, 2011, Braverman purchased 100 shares of Seagate in his Wilson Sonsini 401(k) account for approximately \$1,327.

73. On March 14 and March 16, 2011, Braverman and his Brother had several brief phone contacts.

74. Two days later, on March 18, 2011, the Brother purchased 10 Seagate call options.

75. On March 25, 2011, Braverman sold the Seagate shares in his 401(k) account for approximately \$1,417, resulting in illicit profits of approximately \$90.

76. On March 29, 2011, Braverman purchased 50 Seagate call options, this time in his personal trading account, for approximately \$905.

77. On April 4, 2011, Braverman and his Brother spoke at least once by phone, including a call that lasted over four minutes.

78. Later that day, Braverman's Brother purchased 5 Seagate call options.

79. On the morning of April 6, 2011, federal authorities announced that they had arrested Matthew Kluger, an attorney at Wilson Sonsini, on charges of tipping material nonpublic information that he obtained from Wilson Sonsini. The Commission simultaneously announced that it had filed a civil enforcement action charging Kluger with tipping material nonpublic information.

80. Within the next four hours, Braverman liquidated his entire position in Seagate call options at a net loss.

81. On April 7, 2011, Braverman and his Brother placed three telephone calls to one another.

82. On April 8, 2011, the Brother liquidated his entire position in Seagate call options for a profit of approximately \$1,111. Afterwards, Braverman and his Brother tried contacting each other by phone several times. They had one phone call that lasted eight minutes.

83. On April 19, 2011, before the U.S. securities markets opened, Seagate announced its earnings for the third quarter of its 2011 fiscal year and announced that Samsung would receive a “significant” equity stake in the company as part of a wide-ranging strategic partnership with Seagate. That day, Seagate’s stock price increased 1% over the previous day’s closing price, and the volume of shares traded jumped 48.6% from the previous day’s volume.

Braverman Continues His Insider Trading in the Pupynin Account

84. On July 26, 2012, Pupynin arrived in the United States and visited Braverman’s home in California.

85. In approximately September 2012, Braverman directly or indirectly opened the Pupynin Account (the account in Pupynin’s name). The email address associated with the account was one that Braverman had used before to open two other brokerage accounts in his own name.

86. On October 27, 2012, Pupynin left the U.S. and did not return until December 26, 2013, more than a year later.

87. On December 11, 2012, approximately six weeks after Pupynin had left the U.S., Braverman created a new email address using Pupynin’s first name: vityal945@yahoo.com. The same day, Braverman changed the email address associated with the Pupynin Account to the new email address.

88. From November 2012 to December 2013, Braverman used the Pupynin Account to continue to trade on the basis of material, nonpublic information that he obtained from Wilson Sonsini.

Braverman's Insider Trading in YM Biosciences

89. On October 1, 2012, Wilson Sonsini began working for Gilead Sciences as its legal counsel in connection with its impending transaction with YM Biosciences. Wilson Sonsini used a code name to keep the deal confidential.

90. From that date through December 11, 2012, YM Biosciences' share price ranged from \$1.49 to \$1.89.

91. On October 4, 2012, Gilead Sciences submitted a non-binding offer to acquire all of YM Biosciences' common shares.

92. On or before November 21, 2012, Braverman, by virtue of his employment at Wilson Sonsini, obtained material, nonpublic information concerning the potential acquisition of YM Biosciences.

93. On the basis of this information, from November 21, 2012 to December 11, 2012, Braverman used the Pupynin Account to purchase 327 call options in YM Biosciences for approximately \$3,010. Braverman placed these trades from his California home while Pupynin was outside the United States.

94. On December 12, 2012, before the U.S. securities markets opened, Gilead Sciences announced its planned acquisition of YM Biosciences. That morning, YM Biosciences' share price opened 79% higher than the previous day's closing price. The volume of shares traded that day was 9,101% higher than the previous day's volume.

95. Later that day and the next day, Braverman liquidated the Pupynin Account's entire position in YM Biosciences for approximately \$12,630. The illicit profits from these trades were approximately \$9,621. Braverman again placed these trades from his California home while Pupynin was outside the United States.

Braverman's Insider Trading in Astex

96. In May 2013, Astex representatives started contacting certain companies to solicit their interest in acquiring Astex.

97. On July 2, 2013, Wilson Sonsini began working for Astex as its legal counsel on its potential acquisition by another company. Wilson Sonsini used a code name to keep the deal confidential.

98. From that date through September 3, 2013, Astex's stock price ranged from \$4.43 to \$6.87.

99. In August 2013, Otsuka submitted an initial offer to acquire all of Astex's outstanding shares of common stock. Astex rejected this initial offer but continued negotiations with Otsuka.

100. On or before August 26, 2013, Braverman, by virtue of his employment at Wilson Sonsini, obtained material nonpublic information concerning the potential acquisition of Astex.

101. On the basis of that information, Braverman used the Pupynin Account to purchase approximately 890 Astex call options between August 26 and September 5, 2013 for approximately \$26,903.

102. On August 28 and August 29, 2013, Braverman sold 200 of these call options for a profit of approximately \$12,770.

103. On September 4, 2013, press reports circulated about an imminent deal between Otsuka and Astex.

104. That day, Astex's stock price closed at \$8.27, 23.8% higher than the previous day's close of \$6.68. The volume of shares traded that day was 959% higher than the previous day's volume.

105. The same day, Braverman sold 40 Astex call options in the Pupynin Account for an illicit profit of approximately \$3,151.

106. On September 5, 2013, before the U.S. securities markets opened, Otsuka announced its planned acquisition of Astex through a tender offer. That morning, Astex's share price opened 2.4% higher than the previous day's closing price. The volume of shares traded that day was 230% higher than the previous day's volume.

107. Later that day and the next day, Braverman liquidated 650 Astex call options in the Pupynin Account for approximately \$58,300, making an illicit profit of approximately \$45,527.

108. Braverman placed each of the Astex trades in the Pupynin Account from his California home while Pupynin was outside the United States.

109. In total, Braverman obtained approximately \$61,448 in profits from his illegal Astex trades in the Pupynin Account.

110. On September 13, 2013, Otsuka commenced a tender offer to acquire all of Astex's outstanding shares. Otsuka successfully completed the tender offer on October 11, 2013.

111. Afterwards, Braverman initiated three wire transfers from the Pupynin Account to a Bank of America account associated with Pupynin: two transfers totaling \$529 on October 19, 2013, and a transfer of \$3,500 on October 24, 2013.

Braverman's Insider Trading in Dealertrack

112. On September 23, 2013, Wilson Sonsini began working for Dealer.com as its legal counsel on its impending transaction with Dealertrack. Wilson Sonsini used a code name to keep the deal confidential.

113. From that date through December 19, 2013, Dealertrack's share price traded between \$37.17 and \$43.34.

114. On or before December 5, 2013, Braverman, by virtue of his employment at Wilson Sonsini, obtained material, nonpublic information concerning Dealertrack's potential acquisition of dealer.com.

115. On the basis of that information, Braverman used the Pupynin Account to purchase 1,062 Dealertrack call options for approximately \$32,300 from December 5 to December 13, 2013.

116. On December 19, 2013, after the close of the U.S. securities markets, Dealertrack announced its planned acquisition of Dealer.com.

117. The next morning, as a result of this announcement, Dealertrack's share price opened 7.7% higher than the previous day's closing price. The trading volume of the stock that day was 3,017,685 shares, which was 834% higher than the previous day's volume.

118. Later the same day, Braverman liquidated the Pupynin Account's entire position in Dealertrack call options for approximately \$138,331, resulting in illicit profits of approximately \$106,031.

119. Braverman placed each of the Dealertrack trades in the Pupynin Account from his California home while Pupynin was outside the United States.

120. On December 21, 2013, the next day, Braverman directly or indirectly initiated a wire transfer in the amount of \$6,870 to a Bank of America account associated with Pupynin. In order to request this wire transfer, Braverman accessed the internet from San Mateo, California while Pupynin was outside the United States.

Braverman's Insider Trading in Xyratex

121. On October 29, 2013, Wilson Sonsini began working for Seagate as its legal counsel on its impending transaction with Xyratex. Wilson Sonsini used a code name to keep the deal confidential.

122. From that date through December 20, 2013, Xyratex's stock price traded between \$9.94 and \$12.00.

123. On or before December 17, 2013, Braverman by virtue of his employment at Wilson Sonsini, obtained material, nonpublic information concerning Seagate's impending acquisition of Xyratex.

124. On the basis of that information, Braverman used the Pupynin Account to purchase 943 Xyratex call options for approximately \$38,171 from December 17 to December 20, 2013.

125. On December 23, 2013, before the opening of the U.S. securities markets, Seagate announced its planned acquisition of Xyratex. As a result of this announcement, Xyratex's share price opened that morning 26.9% higher than the previous day's closing price. The trading volume of the stock that day was 7,073% higher than the previous day's volume.

126. Starting later that morning and continuing early that afternoon, Braverman liquidated the Pupynin Account's entire position in Xyratex call options for approximately \$142,552.

127. Braverman placed each of the Xyratex trades in the Pupynin Account from his California home while Pupynin was outside the United States.

128. In fact, when Braverman liquidated his remaining Xyratex position in the Pupynin Account on December 26, 2013, Pupynin was flying from London's Heathrow Airport to San Francisco International Airport. Pupynin's ten-hour flight landed more than four hours after Braverman had fully liquidated the Xyratex call options in the Pupynin Account.

129. In total, Braverman profited by approximately \$104,382 from his trades in Xyratex call options.

Braverman Transfers Insider Trading Proceeds to Pupynin

130. On January 30, 2014, Pupynin left the U.S.

131. Six days later, Braverman directly or indirectly initiated a wire transfer of \$2,300 from the Pupynin Account to a Bank of America account associated with Pupynin. On February 20, 2014, Braverman directly or indirectly initiated a wire transfer of \$7,000 from the Pupynin Account to the same Bank of America account.

132. In July 2014, Braverman directly or indirectly wired over \$26,000 from the Pupynin Account to a bank account in Riga, Latvia.

133. On August 6, 2014, Braverman directly or indirectly initiated a wire transfer of \$5,000 from the Pupynin Account to a Bank of America account associated with Pupynin.

FIRST CLAIM FOR RELIEF

**Violations of Section 10(b) of the Exchange Act and Rule 10b-5 Thereunder
(Against Defendant Braverman)**

134. Paragraphs 1 through 133 are realleged and reincorporated by reference as though fully set forth herein.

135. The information that Braverman obtained from Wilson Sonsini about the eight Companies' impending transactions was material and nonpublic.

136. Wilson Sonsini treated the information as confidential, including through policies and procedures designed to protect such information and to prohibit its employees from trading on such information.

137. Braverman knew (or recklessly disregarded) that the information was material and nonpublic.

138. Braverman knew (or recklessly disregarded) that he owed a fiduciary duty, or an obligation arising from a similar relationship of trust and confidence, to Wilson Sonsini, its clients, and/or its clients' shareholders to keep the information confidential and refrain from trading on it.

139. Yet Braverman traded in the securities of the eight Companies, and tipped his Brother to trade on two of them, on the basis of the material, nonpublic information he obtained or

misappropriated from Wilson Sonsini. He did so for a personal benefit. By doing so, Braverman breached his fiduciary duty, or other obligation arising from a similar relationship of trust and confidence, to Wilson Sonsini, its clients, and/or its clients' shareholders.

140. By virtue of the foregoing, Braverman, in connection with the purchase or sale of securities, by the use of any means or instrumentality of interstate commerce or of the mails, or of any facility of any national securities exchange, directly or indirectly: (a) employed devices, schemes or artifices to defraud; (b) made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or (c) engaged in acts, practices or courses of business which operated or would have operated as a fraud or deceit upon persons.

141. By reason of the conduct described in this Complaint, Braverman directly or indirectly violated and, unless enjoined will again violate, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

SECOND CLAIM FOR RELIEF

Violations of Section 14(e) of the Exchange Act and Rule 14e-3 thereunder (Against Defendant Braverman)

142. Paragraphs 1 through 141 are realleged and reincorporated by reference, as though fully set forth herein.

143. Braverman obtained material nonpublic information from his employer, Wilson Sonsini, about impending transactions involving its clients Gymboree, Epicor, and Astex.

144. Braverman knew or had reason to know that he had obtained the information about these transactions directly from Wilson Sonsini, that Wilson Sonsini was working on the transactions on behalf of its clients, and that its clients were parties to the transactions.

145. Braverman knew or had reason to know that Wilson Sonsini's information about the impending Gymboree, Epicor, and Astex transactions was nonpublic.

146. Braverman traded in the securities of Gymboree, Epicor, and Astex after substantial steps had been taken to commence tender offers for the shares of each issuer and before the tender offers had been publicly announced.

147. After substantial steps had been taken to commence a tender offer for Epicor's shares and before the tender offer had been publicly announced, Braverman also tipped his Brother to trade in Epicor securities under circumstances in which it was reasonably foreseeable that his Brother would purchase and sell Epicor securities.

148. By reason of the conduct described in this Complaint, Braverman violated and, unless enjoined will again violate, Section 14(e) of the Exchange Act [15 U.S.C. § 78n(e)] and Rule 14e-3 thereunder [17 C.F.R. § 240.14e-3].

THIRD CLAIM FOR RELIEF
Unjust Enrichment
(Against Relief Defendant Pupynin)

149. Paragraphs 1 through 148 are realleged and reincorporated by reference, as though fully set forth herein.

150. Braverman directly or indirectly established the Pupynin Account in Pupynin's name and used that account to execute illegal insider trades in YM Biosciences, Astex, Dealertrack, and Xyratex.

151. As the sole owner of the Pupynin Account, Pupynin received and currently holds proceeds of the unlawful trades that Braverman executed in that account. In addition, Braverman transferred some of the proceeds of the illegal trades from the Pupynin Account to bank accounts associated with Pupynin.

152. Pupynin has no legitimate claim to these ill-gotten gains.

153. Pupynin obtained the funds under circumstances in which it is not just, equitable, or conscionable for him to retain the funds. Pupynin has therefore been unjustly enriched.

PRAYER FOR RELIEF

WHEREFORE, the Commission respectfully requests that this Court grant the following relief:

I.

Enter an Order temporarily and preliminarily freezing the assets of Braverman and Pupynin;

II.

Enter an Order requiring Braverman and Pupynin to repatriate all funds and assets obtained from the unlawful activities described herein that are now located outside the Court's jurisdiction;

III.

Enter an Order restraining and enjoining Braverman and Pupynin from destroying, altering, or concealing documents;

IV.

Enter a Final Judgment finding that Braverman violated the securities laws and rules as alleged against him herein;

V.

Enter a Final Judgment permanently restraining and enjoining Braverman and his agents, servants, employees and attorneys and all persons in active concert or participation with him who receive actual notice of the injunction by personal service or otherwise from violating Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)], Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5], Section 14(e) of the Exchange Act [15 U.S.C. § 78n(e)], and Rule 14e-3 thereunder [17 C.F.R. § 240.14e-3], pursuant to Section 21(d)(1) of the Exchange Act [15 U.S.C. § 78u(d)(1)];

VI.

Enter an Order directing Braverman to disgorge, with prejudgment interest, all illicit trading profits or other ill-gotten gains from the conduct alleged in this Complaint, including illicit profits

from trades made in accounts in his own name, illicit profits from trades made in the Pupynin Account, and illicit profits from trades made by his Brother in the Brother's accounts, pursuant to Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)];

VII.

Enter an Order directing Pupynin to disgorge, with prejudgment interest, all illicit trading profits or other ill-gotten gains by which he was unjustly enriched, including illicit profits from trades made in the Pupynin Account, pursuant to Section 21(d)(5) of the Exchange Act [15 U.S.C. § 78u(d)(5)];

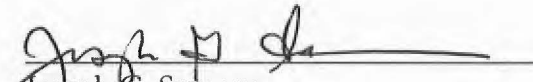
VIII.

Enter an Order directing Braverman to pay a civil monetary penalty pursuant to Section 21A of the Exchange Act [15 U.S.C. § 78u-1]; and

IX.

Granting such other and further relief as this Court may deem just and proper.

Dated: New York, New York
September 16, 2014


Joseph G. Sansone
Daniel M. Hawke*
Preethi Krishnamurthy
Charu A. Chandrasekhar

SECURITIES AND EXCHANGE COMMISSION
New York Regional Office
Brookfield Place
200 Vesey Street, Suite 400
New York, New York 10281-1022
(212) 336-0116 (Krishnamurthy)
KrishnamurthyP@sec.gov

*Not admitted in the S.D.N.Y.