

Press Release

SEC Announces Insider Trading Charges Against Former Financial Analyst at Pharmaceutical Company

FOR IMMEDIATE RELEASE

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Washington D.C., Oct. 14, 2014— The Securities and Exchange Commission today announced insider trading charges against a Massachusetts man who allegedly tipped his friend with nonpublic information about potential acquisition targets of the pharmaceutical company where he worked.

The SEC alleges that Zachary Zwerko was tasked with evaluating potential acquisitions, and he repeatedly accessed confidential files about his employer's acquisition targets and passed details onto a friend from business school so he could purchase securities prior to public announcements. Zwerko accessed and shared information about a deal he was assigned to work on as well as a potential acquisition tasked to others. The illegal tips enabled his friend to make approximately \$683,000 in illicit profits.

In a parallel action, the U.S. Attorney's Office for the Southern District of New York today announced criminal charges against Zwerko.

"Zwerko's employer entrusted him with confidential information about possible acquisitions, and he was brazen enough to steal that information for his own benefit," said Sanjay Wadhwa, Senior Associate Director of the SEC's New York Regional Office. "The SEC's swift enforcement action shows that Zwerko miscalculated the true consequences of his actions."

The SEC's complaint was filed after hours on October 10 in U.S. District Court for the Southern District of New York. The complaint charges Zwerko, who lives in Cambridge Mass., with violating Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5.

The SEC's investigation, which is continuing, has been conducted by Dominick D. Barbieri, Neil Hendelman, and Charles D. Riely. The case has been supervised by Mr. Wadhwa. The SEC appreciates the assistance of the U.S. Attorney's Office for the Southern District of New York, Federal Bureau of Investigation, and Financial Industry Regulatory Authority.

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Related Materials

- [SEC complaint](#)

