

PRESS RELEASE

SEC Charges ADM and Three Former Executives with Accounting and Disclosure Fraud

ADM credited for cooperation and significant remediation

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Washington D.C., Jan. 27, 2026 —The Securities and Exchange Commission today filed settled charges against Archer-Daniels-Midland Company (ADM) and its former executives, Vince Macciocchi and Ray Young, and a litigated action against its former executive Vikram Luthar, for materially inflating the performance of a key ADM business segment, Nutrition, which ADM touted to investors as an important driver of the company's overall growth.

The SEC's complaint against Luthar alleges that he directed "adjustments" to Nutrition's transactions with other ADM business segments when Nutrition was falling short of its operating profit targets for fiscal years 2021 and 2022. According to the complaint, the adjustments included retroactive rebates and price changes not customarily available to ADM's third-party customers that were essentially one-sided transfers of operating profit to Nutrition, with the goal of making it appear that Nutrition was meeting the 15% to 20% per year operating profit growth Luthar and other ADM executives projected to investors.

The SEC's settled order against ADM, Macciocchi, and Young finds that Macciocchi and Luthar led efforts to identify and structure adjustments for fiscal years 2021 and 2022, and

that Young negligently approved improper adjustments for fiscal years 2019 and 2021. These adjustments also included retroactive rebates and price changes, were targeted to specific dollar amounts to hit Nutrition's operating profit goals or mask a shortfall, and were not provided to third parties, according to the order.

The SEC considered ADM's cooperation and significant remedial measures in accepting its settlement offer. Specifically, the company conducted an internal investigation, voluntarily reported its findings to the staff, and provided the staff with additional analyses from an outside accounting expert. ADM's remedial measures included implementing new internal accounting controls around intersegment transactions, amending its policies and procedures, and testing the effectiveness of its new controls, among other things.

The order creates a Fair Fund to distribute the ordered monetary relief to investors harmed by the violations.

"Transparent and honest disclosure are key to maintaining market integrity, so when ADM misled its investors, the SEC stepped in to protect them and the market," said Judge Margaret A. Ryan, Director of the SEC's Division of Enforcement. "The SEC is steadfast in its commitment to rooting out fraud and holding accountable wrongdoers, while also engaging market participants constructively to ensure the right outcomes are achieved in a timely and fair manner. In this matter, we credit ADM's cooperation and its efforts to avoid future accounting and disclosure violations."

The complaint alleges, and the order finds, that the adjustments rendered ADM's annual and quarterly reports false and misleading because the adjustments resulted in transactions inconsistent with ADM's representation that intersegment transactions were recorded at amounts "approximating market." Further, the order finds that ADM overstated Nutrition's operating profit for fiscal years 2019, 2021, and 2022, the third quarter of 2019, and all quarters in 2021 as a result of the adjustments.

The complaint, filed in the U.S. District Court for the Northern District of Illinois, charges Luthar with violating the antifraud provisions of the federal securities laws, aiding and abetting ADM's violations of the antifraud, reporting, books and records, and internal accounting control provisions of the federal securities laws, and failing to reimburse ADM for certain executive compensation as required. The complaint seeks permanent injunctions, an officer and director bar, disgorgement of ill-gotten gains with prejudgment interest, civil penalties, and reimbursement of certain executive compensation to ADM pursuant to the Sarbanes-Oxley Act.

The SEC's order finds that ADM, Macciocchi, and Young violated the antifraud, reporting,

internal accounting controls, and books and records provisions of the federal securities laws, and that Macciocchi and Young caused certain of ADM's violations. Without admitting or denying the findings, ADM, Macciocchi, and Young agreed to cease and desist from committing or causing any violations and any future violations of the relevant provisions of the federal securities laws, and ADM has voluntarily undertaken to cooperate fully with the Commission in the litigation and any other proceedings related to the matters described in the order. ADM agreed to pay a \$40,000,000 civil penalty, Macciocchi agreed to pay disgorgement and prejudgment interest totaling \$404,343 and a civil penalty of \$125,000, and Young agreed to pay disgorgement and prejudgment interest totaling \$575,610 and a civil penalty of \$75,000. Macciocchi also agreed to a three-year officer and director bar.

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Last Reviewed or Updated: Jan. 27, 2026

RESOURCES

- [SEC Complaint](#)
- [SEC Order - Archer-Daniels-Midland Company, Vince Macciocchi, and Ray Young](#)