Sheldon L. Pollock
George N. Stepaniuk
Travis Hill
Hayden M. Brockett
Christopher R. Kelly
Cynthia A. Matthews
Attorneys for Plaintiff
SECURITIES AND EXCHANGE COMMISSION
New York Regional Office
100 Pearl Street
Suite 20-100
New York, NY 10004-2616
212-336-9135 (Hill)
Hilltr@sec.gov

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION, **Plaintiff,** **-against-** **GAVIN WOLFE and JASON SATSKY,** **Defendants,** **-and-** **EVERGREEN CAPITAL L.P., EVERGREEN FINANCIAL LLC, EMPIRE PROPERTY MANAGEMENT LLC, GAW HOLDINGS, LLC, SA 1055 LLC, SA 1057 LLC, SA 1082 LLC, and SA 1083 LLC,** **Relief Defendants.**	**<u>COMPLAINT</u>** **26 Civ. 7132** **JURY TRIAL DEMANDED**

Plaintiff Securities and Exchange Commission ("Commission"), for its Complaint against Defendants Gavin Wolfe ("Wolfe") and Jason Satsky ("Satsky") (collectively, "Defendants"), and Relief Defendants Evergreen Capital L.P. ("Evergreen Capital"), Evergreen Financial LLC ("Evergreen Financial"), Empire Property Management LLC ("Empire"), GAW Holdings, LLC

("GAW Holdings"), SA 1055 LLC ("SA 1055"), SA 1057 LLC ("SA 1057"), SA 1082 LLC ("SA 1082"), and SA 1083 LLC ("SA 1083") (collectively, "Relief Defendants"), alleges as follows:

SUMMARY

1. This case involves insider trading by Wolfe in the common stock of South Jersey Industries, Inc. ("South Jersey") using material nonpublic information supplied by his close friend and long-time colleague, Satsky. Between November and December 2021, Wolfe purchased more than 2.2 million shares of South Jersey stock at a total cost of at least $53 million. When South Jersey announced on February 24, 2022, that it had agreed to be acquired at $36 per share (the "Announcement"), Wolfe made approximately $18.5 million in illegal profits.

2. Satsky was Co-Head of the Americas Power and Renewables Energy & Utility Investment Banking Group at Investment Bank A and the lead investment banker on South Jersey's acquisition. On September 29, 2021, South Jersey's CEO called Satsky directly to hire Investment Bank A to represent South Jersey in a potential sale. From at least that point forward, Satsky possessed material nonpublic information about South Jersey's potential acquisition.

3. Satsky and Wolfe communicated multiple times while Satsky possessed material nonpublic information about South Jersey, including on the evening of November 9, 2021, when the two men attended a nationally televised University A basketball game together at Madison Square Garden. By at least that time, Satsky knowingly or recklessly communicated material nonpublic information about South Jersey's potential acquisition to Wolfe, breaching his duty of trust and confidence to Investment Bank A, South Jersey, and South Jersey's shareholders.

4. Satsky tipped Wolfe material nonpublic information for his own personal benefit. The two men had a close friendship and a long history of exchanging favors, both personal and professional, that extended to their families.

5. The timing and circumstances of Wolfe's trading demonstrate that he acted on information he received from Satsky. Within minutes of the November 9 basketball game ending, after spending approximately three hours with Satsky at Madison Square Garden, Wolfe created a calendar entry for himself at 12:12 a.m. that read "SJi and njr," using the New York Stock Exchange ticker symbols for South Jersey and another company. He scheduled the entry for 9:15 a.m. that morning, November 10, 2021.

6. On November 10, 2021, Wolfe transferred nearly $2.2 million to a trading account and directed his investment manager to begin buying South Jersey stock.

7. On November 11, 2021, Wolfe bought more than 100,000 shares of South Jersey stock, the first time he had ever purchased that stock. He continued buying through December 1, 2021, accumulating more than 2.2 million shares at a total cost of at least $53 million. Wolfe spread his purchases across eight entities he owned or controlled: Relief Defendants Evergreen Capital, Evergreen Financial, Empire, GAW Holdings, SA 1055, SA 1057, SA 1082, and SA 1083.

8. Prior to November 2021, Wolfe had never invested anything near $53 million in a publicly-traded stock. In the preceding three and one-half years, his eight next-largest stock purchases in a single month ranged from approximately $2.4 million to approximately $16.6 million.

9. When South Jersey announced the merger on February 24, 2022, its share price rose $9.36 that day, closing at $32.84—an increase of approximately 40% from the prior day's close. Wolfe's unrealized profits totaled approximately $18.5 million, a net return of approximately 36%.

10. Wolfe also knowingly or recklessly tipped material nonpublic information to three friends and business colleagues. Each purchased South Jersey stock shortly after Wolfe contacted them. Together, they made approximately $515,000 in unrealized trading profits.

11. Wolfe and Satsky attempted to conceal their conduct. After the Announcement, a financial regulator prompted Investment Bank A to conduct an internal inquiry about trading in

South Jersey stock in advance of the Announcement. Satsky responded by describing his relationship with Wolfe only as "client and former power/utilities banker, periodic ordinary course coverage." He did not disclose their close personal friendship, nor their frequent contacts during the South Jersey sale process.

12. In February 2024, FBI agents questioned Wolfe about his South Jersey trading. Wolfe told the agents, among other things, that he did not recall directing the South Jersey stock purchases in the entities he controlled and that the idea to buy South Jersey stock may not have originated with him. Those statements were false and misleading. Wolfe well knew that he alone had made the decision and gave the direction to make the purchases.

VIOLATIONS

13. By virtue of the foregoing conduct and as alleged further herein, Defendants Gavin Wolfe and Jason Satsky have violated Section 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

14. Unless Defendants are enjoined, they will engage in the acts, practices, transactions, and courses of business set forth in this Complaint or in acts, practices, transactions, and courses of business of similar type and object.

NATURE OF THE PROCEEDINGS AND RELIEF SOUGHT

15. The Commission brings this action pursuant to the authority conferred upon it by Exchange Act Sections 21d and 21A [15 U.S.C. §§ 78u(d) and 78u-1].

16. The Commission seeks a final judgment: (a) permanently enjoining Defendants from violating the federal securities laws and rules this Complaint alleges they have violated; (b) ordering Wolfe to disgorge all ill-gotten gains he received as a result of the violations alleged herein pursuant to Exchange Act Sections 21(d)(5) and 21(d)(7) [15 U.S.C. §§ 78u(d)(5) and 78u(d)(7)]; (c) ordering Defendants to pay civil money penalties pursuant to Exchange Act Section

21A [15 U.S.C. § 78u-1]; (d) permanently prohibiting Defendants from serving as officers or directors of any company that has a class of securities registered under Exchange Act Section 12 [15 U.S.C. § 78l] or that is required to file reports under Exchange Act Section 15(d) [15 U.S.C. § 78o(d)], pursuant to Exchange Act Section 21(d)(2) [15 U.S.C. § 78u(d)(2)]; (e) permanently prohibiting Satsky from, directly or indirectly, acting as, or being associated with, any broker or dealer; (f) ordering the Relief Defendants to pay, with prejudgment interest thereon, all ill-gotten gains by which they were unjustly enriched, pursuant to Exchange Act Sections 21(d)(5) and 21(d)(7) [15 U.S.C. §§ 78u(d)(5) and 78u(d)(7)]; and (g) ordering any other and further relief the Court may deem just and proper.

JURISDICTION AND VENUE

17. This Court has jurisdiction over this action pursuant to 28 U.S.C. § 1331, and Exchange Act Sections 21(d), 21(e), 21A, and 27 [15 U.S.C. §§ 78u(d), 78u(e), 78u-1, and 78aa].

18. Defendants, directly and indirectly, have made use of the means or instrumentalities of interstate commerce or of the mails, or of the facilities of a national securities exchange, in connection with the transactions, acts, practices, and courses of business alleged herein.

19. Venue lies in this District under Section 27 of the Exchange Act [15 U.S.C. § 78aa]. Defendants transacted business in this District, and certain of the acts, practices, transactions, and courses of business alleged in this Complaint occurred here. For example, Investment Bank A's offices, where Satsky worked and obtained material nonpublic information about South Jersey's potential acquisition, are located in this District. Both Defendants reside in New York, New York, and communicated by speaking on the telephone, by text message, and in person, within this District while Satsky possessed material nonpublic information about South Jersey. Wolfe transferred $2.2 million through a financial institution headquartered in the District to a brokerage account held in the name of Evergreen Financial, a Relief Defendant with its principal place of business in the

District. Wolfe executed South Jersey stock purchases through at least one broker-dealer located in the District on the New York Stock Exchange, which is headquartered in the District.

DEFENDANTS

20. **Wolfe**, age 59, is a resident of Sunny Isles Beach, Florida and New York, New York. Wolfe owns and controls Evergreen Capital and co-owns both Evergreen Financial and Empire with his wife. From 1993 through 2016, Wolfe was a registered representative associated with multiple registered broker-dealers. From 2012 through 2016, he served as a Managing Director in the Global Energy and Power Group of Investment Bank A, where he worked alongside Satsky. Wolfe retired from Investment Bank A in 2016 and since then has been managing his own investments and operating businesses that he owns or controls.

21. **Satsky**, age 55, is a resident of New York, New York. From 2019 through 2023, Satsky was Co-Head of the Americas Power and Renewables Energy & Utility Investment Banking Group at Investment Bank A. In 2023, he was promoted to Global Head of the Energy and Utility Investment Banking Group at Investment Bank A. Satsky first joined Investment Bank A in 2012 as a Managing Director in the Global Energy and Power Group. Satsky was terminated by Investment Bank A in early March 2025. Before his termination, Satsky had worked as an investment banker for over two decades and held multiple securities licenses. He is also an attorney licensed to practice in New York.

RELIEF DEFENDANTS

22. **Evergreen Capital** is a New York limited partnership with its principal place of business in Sunny Isles Beach, Florida. It manages assets on behalf of Wolfe family trusts whose sole beneficiaries are Wolfe's children. Wolfe controls Evergreen Capital.

23. **Evergreen Financial** is a Delaware limited liability company with its principal place of business in Bedford, New York. It is funded by Evergreen Capital. Wolfe controls Evergreen Financial.

24. **Empire** is a New York limited liability company with its principal place of business in Sunny Isles Beach, Florida. It operates as a 401(k) retirement plan for Wolfe. Wolfe controls Empire.

25. **GAW Holdings** is a Delaware limited liability company with its principal place of business in Huntington Bay, New York. It holds assets owned, directly or indirectly, by Wolfe. Wolfe controls GAW Holdings.

26. **SA 1055**, **SA 1057**, **SA 1082**, and **SA 1083** (collectively, the "SA Accounts") are Colorado limited liability companies with their principal places of business in Providenciales, Turks, and Caicos Islands. Each SA Account was formed to hold investments on behalf of a separate private placement life insurance account. Wolfe controls each SA Account.

OTHER RELEVANT ENTITIES AND INDIVIDUALS

27. **South Jersey** is a New Jersey corporation with its principal place of business in Folsom, New Jersey. South Jersey is an energy infrastructure holding company that delivers energy services through a natural gas utility and renewable energy projects. Before its acquisition by Infrastructures Investment Fund ("Infrastructures") on February 1, 2023, South Jersey's common stock traded on the New York Stock Exchange under the ticker symbol "SJI" and was registered with the Commission pursuant to Exchange Act Section 12(b).

28. **Individual A** is a former partner at Evergreen Capital and serves as manager for Evergreen Capital, Evergreen Financial, and other entities Wolfe owns or controls, with nominal trading authority over the brokerage accounts.

29. **Individual B** was formerly a trustee of a Wolfe family trust and did work for GAW Holdings and the SA Accounts.

30. **Individual C** is the co-owner of a restaurant company. Wolfe and his wife hold a stake in that restaurant business and maintain a close personal relationship with Individual C.

FACTS

I. WOLFE'S RELATIONSHIP WITH SATSKY

A. Wolfe's and Satsky's Friendship and Business Relationship

31. Wolfe and Satsky have been close personal friends and business colleagues for more than twenty years.

32. They met in 2005 while working as investment bankers in the energy group of Investment Bank B.

33. For several years, Wolfe and Satsky worked together at Investment Bank B under the same supervisor.

34. In 2012, Wolfe, and Satsky joined Investment Bank A as Managing Directors in its Global Energy and Power Group.

35. Wolfe retired from Investment Bank A in 2016. After his retirement, Wolfe and Satsky remained close personal friends and active business associates.

36. Wolfe and Satsky communicated often by text message and by speaking on the telephone. In the fall of 2021 alone, Wolfe and Satsky texted each other nearly 300 times and spoke by phone approximately 20 times.

37. Wolfe and Satsky also socialized regularly, including with their wives.

38. Wolfe and Satsky shared business contacts and did favors for each other, both business and personal.

39. For example, Wolfe introduced Satsky to an issuer that Investment Bank A later took private in a $3.5 billion transaction.

40. As another example, Satsky introduced Wolfe to contacts at another bank when Wolfe sought to purchase that bank's assets out of receivership.

41. Wolfe and Satsky also transacted business directly with each other. In the fall of 2021, a company that Wolfe co-owned was one of Satsky's clients at Investment Bank A. Satsky had previously invested in that company at Wolfe's solicitation.

42. Their personal relationship extended to their families.

43. Wolfe hired Satsky's son for an internship at Evergreen Capital.

44. Satsky helped Wolfe's son and children of Wolfe's friends get jobs at Investment Bank A.

45. Satsky also introduced Wolfe's daughter to a private equity contact.

46. In a text to Satsky in February 2021, Wolfe wrote: "You are family, Jason."

B. Wolfe Supported Satsky's Son's Admission to University A

47. Satsky graduated from University A's law and business school, and beginning in at least 2018 Satsky was intent on having his son attend University A as an undergraduate.

48. Wolfe's children attended University A as undergraduates. From at least 2016 through the present, Wolfe was an influential donor to University A with contacts in the alumni engagement and development office. He used those contacts to support undergraduate admission applicants at University A.

49. Beginning as early as 2018, Satsky asked Wolfe for help with his son's admission to University A. Satsky continued to make that request in the years that followed.

50. For example, in February 2021, Satsky learned that Wolfe had taken an undisclosed commission in connection with Satsky's investment in Wolfe's company. Although Satsky was initially displeased, he texted Wolfe: "All I ask is for you to help get [my son] into University A."

51. In July 2021, Wolfe told Satsky by text that he would be unable to attend Satsky's upcoming 50th birthday party. In that exchange, Wolfe asked: "what can I send the man who has everything for his 50th?"

52. Satsky responded: "A [University A] admissions letter for his oldest son."

53. Wolfe replied: "Don't you worry I have you covered on that . . . I plan to be on campus in late September and will meet with [the University A vice president of alumni engagement and development] personally."

54. University A's early decision application deadline was November 1, 2021.

55. On or about September 11, 2021, Satsky asked Wolfe and Wolfe's wife whether their daughter would help Satsky's son brainstorm one of the application's essay prompts.

56. Throughout September and October 2021, Satsky and Wolfe spoke by phone and exchanged messages numerous times about Satsky's son's application.

57. Satsky's and Wolfe's wives also communicated by email and text message about Satsky's son's application during the same period.

58. Satsky's son submitted his early decision application to University A on October 26, 2021.

59. The next day, October 27, 2021, Wolfe emailed a recommendation letter for Satsky's son to the University A vice president for alumni engagement and development. Wolfe wrote the letter on Evergreen Capital letterhead and promised in his email to follow up by phone call to discuss his strong support for Satsky's son's application.

60. The University A vice president responded the same day, thanking Wolfe and writing: "I will make sure it gets to Admissions. Glad to know of the legacy connection as well as to you and [your wife]. No need to call on this."

61. Wolfe forwarded that response to Satsky, writing that he and his wife were "confident that [the vice president] will do his part from here" and that he was "confident [Satsky's son] will be the first of many [University A undergraduates] in the Satsky family."

62. Wolfe's wife added to the email chain: "Couldn't ask for a better response! Let's go baby! So excited!"

63. Satsky's son was admitted to University A on December 15, 2021.

II. SATSKY OBTAINED MATERIAL NONPUBLIC INFORMATION ABOUT SOUTH JERSEY'S ACQUISITION

A. Satsky's Prior Relationship with South Jersey

64. Satsky worked with South Jersey in 2017, when he advised it, as a client of Investment Bank A, on its acquisition of another natural gas provider.

65. In 2019, Satsky became Co-Head of the Americas Power and Renewables Energy & Utility Group at Investment Bank A. In that role, he was responsible for overseeing all investment banking business in that sector, including mergers and acquisitions.

66. By early 2020, market conditions had reduced the stock valuations of natural gas distributors, including South Jersey. South Jersey became vulnerable to activist investors—shareholders who acquire stakes in a company and pressure management to take actions intended to increase the stock price—and a potential acquisition target.

67. In the spring of 2020, South Jersey retained Investment Bank A to advise it on defending against activist investors. Satsky signed the engagement agreement on behalf of Investment Bank A.

68. After that engagement, Satsky remained Investment Bank A's primary contact for South Jersey, and he spoke regularly with South Jersey's representatives.

B. South Jersey Hired Investment Bank A to Explore a Sale and Satsky Led the Engagement

69. No later than September 29, 2021, South Jersey's CEO called Satsky directly and told him that South Jersey had been approached by an investment bank representing a prospective buyer. The CEO asked Satsky to have Investment Bank A represent South Jersey in connection with a potential sale of the company.

70. On October 2, 2021, Satsky emailed several Investment Bank A colleagues about his conversation with South Jersey's CEO. The recipients included Investment Bank A's Vice President of Power, Utilities & Energy Infrastructure Investment Banking. Satsky wrote: "Can we set up a ddm [digital deal management] on sji [South Jersey] as they were approached by a bank on behalf of a buyer last week and the ceo called to hire us, $7bn and a $30mm ma fee in 2022." At Satsky's direction, his team immediately began preparing deal management documentation.

71. Satsky was, at all times, the lead investment banker on the South Jersey sale process and participated in the process throughout.

72. On October 20, 2021, South Jersey's CEO, Chief Financial Officer, and Chairman of the Board all met with Satsky and others at Investment Bank A to discuss strategic options for South Jersey, including a potential sale of the company.

73. On October 22, 2021, Investment Bank A's Vice President of Power, Utilities & Energy Infrastructure Investment Banking emailed Satsky and others that South Jersey "will be pursuing a sale, no specific counterparty they are in discussion with right now."

74. Later that same day, Investment Bank A's Vice President of Power, Utilities & Energy Infrastructure Investment Banking emailed Satsky and others additional details about the planned sale process. The email stated that South Jersey would pursue "a broad sale process," that the

"timing of launching a process" was expected to be "Q4 or Q1 2022," and that the "expected deal size" would be "$7b[illio]n."

75. By October 25, 2021, South Jersey's Board of Directors had authorized management to engage Investment Bank A as a financial advisor to explore strategic options, including a potential sale of the company and to identify potential merger partners.

76. On October 29, 2021, Investment Bank A finalized and sent to South Jersey a list of potential merger partners. Soon after, Investment Bank A began reaching out to four potential buyers, including Infrastructures, to arrange meetings with South Jersey.

77. On November 5, 2021, Satsky and the Investment Bank A team held a call with South Jersey's senior management.

78. That same day, Investment Bank A scheduled, and began preparing for, a dinner meeting between South Jersey and Infrastructures principals. The dinner took place on November 15, 2021.

79. From November 2021 through February 2022, Infrastructures and South Jersey negotiated and concluded a merger agreement. Investment Bank A represented South Jersey throughout that process. Satsky was involved throughout.

80. On January 12, 2022, Investment Bank A and South Jersey executed a formal engagement agreement (the "Engagement Agreement"). The Engagement Agreement stated that it was "effective as of October 29, 2021." The Engagement Agreement provided that any nonpublic information of South Jersey that was made available to Investment Bank A prior to, on, or after October 29, 2021, in connection with the engagement was considered confidential and could be used solely in connection with Investment Bank A's work on South Jersey's behalf. Satsky signed the Engagement Agreement on behalf of Investment Bank A.

81. South Jersey's Board of Directors approved the merger agreement with Infrastructures on February 23, 2022. The following morning, before the market opened, South Jersey publicly announced that it had agreed to be acquired by Infrastructures at $36 per share.

82. That day, South Jersey's share price increased by $9.36, closing at $32.84 per share, an increase of approximately 40% from the prior day's closing price.

C. Satsky's Duty of Confidentiality and Wolfe's Knowledge of It

83. By no later than September 29, 2021, Satsky possessed material nonpublic information about South Jersey's potential acquisition, including that South Jersey had been approached by another investment bank and wanted to retain Investment Bank A in connection with a potential sale of the company. A reasonable investor would have considered that information important to a decision to buy, sell, or hold South Jersey stock. The information had not been made publicly available.

84. Satsky had a duty to maintain the confidentiality of that information. That duty arose from multiple sources.

85. As an Investment Bank A employee, Satsky was prohibited from insider trading or disclosing confidential information belonging to Investment Bank A or its clients.

86. Investment Bank A's Insider Trading policy specifically stated that "it is illegal for any person to trade . . . while aware of material nonpublic information . . . or communicate material nonpublic information to others where it is foreseeable that such persons may trade while aware of such information."

87. Investment Bank A's Enterprise Information Wall policy defined "Confidential Information" as "information that is received or created about the general business, actual or proposed transactions or finances of . . . clients or customers . . . [that] has not been made publicly available." It defined material nonpublic information as "Confidential Information that (i) a

reasonable investor would consider relevant in making a decision to buy, sell or hold a Security or Financial Instrument and (ii) has not yet become generally available to investors." It also stated that "[i]nformation can be material even if it relates to future, speculative or contingent events."

88. Investment Bank A's Code of Conduct stated that "those in possession of [material nonpublic information] of any company . . . must not communicate or disclose such information to others who may misuse it, including family members. Doing so would not only be a violation of your duty of trust or confidence, but also may be a violation of U.S. federal and state laws."

89. Satsky received annual training on each of these policies.

90. The Engagement Agreement independently required Satsky to maintain the confidentiality of all nonpublic information of South Jersey made available to Investment Bank A in connection with the sales process.

91. Satsky knew his duty of confidentiality prohibited him from disclosing nonpublic information concerning South Jersey's potential acquisition to anyone outside Investment Bank A for any purpose unrelated to the engagement.

92. Before retiring from investment banking in 2016, Wolfe had worked for approximately 23 years in the securities industry. For the final four years of his career, he served as a Managing Director at Investment Bank A alongside Satsky.

93. During his time at Investment Bank A, Wolfe received training on Investment Bank A's confidentiality restrictions and insider trading policies—the same policies that bound Satsky in the fall of 2021.

94. In the fall of 2021, Wolfe knew or recklessly disregarded that Satsky owed a duty of confidentiality to Investment Bank A and its clients; that Satsky possessed material nonpublic information about Investment Bank A's clients and their transactions; and that Investment Bank A's policies prohibited Satsky from disclosing that information to Wolfe.

III. SATSKY TIPPED WOLFE ABOUT THE SOUTH JERSEY MERGER

95. By no later than when Satsky and Wolfe parted following the November 9, 2021, basketball game, while the South Jersey sales process progressed, Satsky knowingly or recklessly communicated material nonpublic information about South Jersey's potential acquisition to Wolfe on one or more occasions.

96. By communicating that information to Wolfe, Satsky knowingly or recklessly breached his duty of trust and confidence to Investment Bank A, South Jersey, and South Jersey's shareholders. Satsky tipped Wolfe for his own personal benefit—to reward Wolfe and maintain their close personal friendship and business relationship built over two decades. As described in Section I above, that friendship included numerous personal and professional favors exchanged between the two men and their families, including Wolfe's active assistance with Satsky's son's admission to University A.

A. The October 2021 Communications

97. On October 2, 2021, Satsky directed his team at Investment Bank A to begin preparing deal management documentation for the South Jersey acquisition.

98. Three days later, on October 5, 2021, Satsky sent a text message to Wolfe. Later that same day, they spoke by phone for 13 minutes.

99. The following evening, October 6, 2021, Wolfe, Satsky, and their wives had dinner together.

100. By October 25, 2021, South Jersey's Board of Directors had authorized management to retain Investment Bank A to explore a sale and identify potential merger partners.

101. On October 26, 2021—one day after South Jersey's Board authorized management to retain Investment Bank A to explore a sale—Satsky and Wolfe spoke by phone for approximately 15 minutes.

102. Immediately after that call with Wolfe ended, Satsky called South Jersey's CEO.

103. The next morning, October 27, 2021, Wolfe made a calendar entry to himself that read: "Jason rec, JPM." That same morning, Wolfe sent his recommendation letter to University A on behalf of Satsky's son.

B. The Basketball Game and Wolfe's Calendar Entry

104. On the evening of November 9, 2021, Satsky and Wolfe attended a nationally televised University A basketball game at Madison Square Garden, together with their wives and members of Wolfe's family. Satsky had obtained the luxury box seats through Investment Bank A.

105. Both Satsky and Wolfe arrived by approximately 9:00 p.m. The game ended near midnight on November 10, 2021.

106. Shortly after the game ended, at 12:12 a.m., Wolfe created a calendar entry on his phone that read: "SJi and njr." SJI is the New York Stock Exchange ticker symbol for South Jersey. NJR is the ticker symbol for New Jersey Resources Corporation, another gas distributor.

107. Wolfe set that calendar entry for 9:15 a.m. that morning, November 10, 2021.

108. By no later than the time Satsky and Wolfe parted following the November 9 basketball game, Satsky knowingly or recklessly communicated material nonpublic information about South Jersey's potential acquisition to Wolfe.

C. Wolfe Traded Using Material Nonpublic Information

109. At 9:26 a.m. on November 10, 2021, before the market opened and while possessing material nonpublic information about South Jersey that he obtained from Satsky, Wolfe directed Individual A to transfer nearly $2.2 million from one of Wolfe's business accounts to a brokerage account and to begin buying South Jersey stock.

110. At 10:52 a.m. that morning, Individual A confirmed with Wolfe by text that any South Jersey stock bought that day would be bought on margin, meaning that the orders would be

funded in part through borrowings against the value of Wolfe's existing securities portfolio. In general, trading on margin increases the amount of stock a customer can buy.

111. Acting through Individual A, Wolfe placed orders with Brokerage Firm A to purchase South Jersey stock in the accounts of Evergreen Capital and Evergreen Financial ("Evergreen Entities") accounts. Those orders were limit orders—set to execute only if the stock fell to a specific price that day—and were not filled when the stock did not drop to that level. Wolfe directed Individual A to resume placing orders to buy South Jersey stock at the open the next morning.

112. At 5:20 p.m. that afternoon, Wolfe created a calendar entry for 7:45 a.m. the next morning that read: "SJi and LDCs and hotel and hair." LDC is an acronym for local distribution companies that sell natural gas.

113. On the morning of November 11, 2021, at 8:54 a.m., Individual A emailed a Brokerage Firm A representative: "I will give you a call in a few minutes after the market opens to discuss orders for the day."

114. Wolfe called Individual A at 8:56 a.m. and again at 9:01 a.m. One minute into the 9:01 a.m. call, Wolfe emailed Brokerage Firm A: "Pls advise on commission pricing for shares purchased first thing this am."

115. By approximately 10:00 a.m. on November 11, 2021, Individual A had placed orders at Wolfe's direction to buy more than 100,000 shares of South Jersey stock in the Evergreen Entities' accounts at Brokerage Firm A. This time, Wolfe directed Individual A to place market orders, which, as described below, were filled that day.

116. The same day, at 2:26 p.m., Satsky called Wolfe and the two spoke for approximately seven minutes.

117. As detailed below, Wolfe continued buying the stock, using a mix of limit and market orders, through December 1, 2021, accumulating more than 2.2 million shares at a total cost of at least $53 million.

IV. WOLFE ALONE CONTROLLED ALL EIGHT TRADING ACCOUNTS AND USED ENCRYPTED COMMUNICATIONS TO CONCEAL HIS DIRECTIONS

A. Wolfe Controlled All Eight Accounts

118. Before Wolfe began trading South Jersey stock, his investment portfolio—held across eight Wolfe entities—was valued at approximately $260 million.

119. Wolfe alone made the investment and financing decisions for all eight entities. Individual A and one other individual nominally managed certain accounts.

120. Wolfe appointed Individual A as investment manager with nominal trading authority over the brokerage accounts for Evergreen Capital, Evergreen Financial, and Empire.

121. Wolfe and Individual A communicated often by phone and electronic message about the Evergreen Capital, Evergreen Financial, and Empire accounts. Wolfe directed all of Individual A's securities trading in all three accounts.

122. A separate individual associated with a broker-dealer held nominal trading authority over the GAW Holdings account and the SA Accounts. That individual also executed all trades in those accounts at Wolfe's direction.

B. Wolfe Used Encrypted Communications to Direct His Trading

123. Wolfe used encrypted messaging applications, including Wickr and WhatsApp, to communicate with Individual A and others about his trading. Text messages sent through those applications can be deleted by the sender or recipient and cannot be retrieved once deleted.

124. Wolfe used the code word "weather" to signal to Individual A when to switch their

communications to Wickr. Several times immediately before and during the period when Wolfe traded South Jersey stock, Wolfe sent Individual A the "weather" signal, and the two then switched their communications to Wickr.

125. By directing Individual A to switch to Wickr before and during his South Jersey trading, Wolfe ensured that his trading directions would not be preserved in retrievable form.

V. WOLFE PURCHASED AT LEAST $53 MILLION OF SOUTH JERSEY STOCK OVER THREE WEEKS

126. As of November 2021, Wolfe had never previously made an investment in a publicly-traded stock approaching $53 million. In the three and one-half years before his South Jersey purchases, Wolfe's eight next-largest stock purchases in a single month ranged from approximately $2.4 million to approximately $16.6 million.

127. Wolfe built his South Jersey position of at least $53 million in eight accounts over three weeks, using cash, margin, and transferred securities as collateral.

128. As described in Section III.C above, on November 11, 2021 and at Wolfe's direction, Individual A placed orders to buy more than 100,000 shares of South Jersey stock in the Evergreen Entities' accounts at Brokerage Firm A. Those were Wolfe's first-ever purchases of South Jersey stock.

129. Over the next two business days, Wolfe purchased additional shares of South Jersey stock in the Evergreen Entities' accounts at a second brokerage firm, Brokerage Firm B.

130. To fund those purchases, Wolfe transferred securities from the Evergreen Entities' accounts at Brokerage Firm A to the Evergreen Entities' accounts at Brokerage Firm B, using those securities as margin collateral.

131. By November 17, 2021, Wolfe had purchased nearly 1.5 million shares of South Jersey stock across the Evergreen Entities' accounts at Brokerage Firm A and Brokerage Firm B combined.

132. On November 19, 2021, Wolfe began purchasing South Jersey stock through certain SA Accounts.

133. Over the next twelve days, through December 1, 2021, Wolfe purchased approximately 222,300 additional shares through GAW Holdings and the SA Accounts.

134. In total, Wolfe accumulated 2,207,604 shares of South Jersey stock between November 11 and December 1, 2021, at prices ranging from $23.38 to $24.98 per share, at a total cost of more than $53 million:

Entity	Purchase Period	Shares Purchased	Price Range
Evergreen Capital	Nov. 11 to Nov. 30, 2021	996,968	$23.50 to $24.57
Evergreen Financial	Nov. 11 to Dec. 1, 2021	982,639	$23.50 to $24.65
Empire	Nov. 26, 2021	5,697	$24.29 to $24.41
GAW Holdings	Nov. 26 to Dec. 1, 2021	40,100	$23.38 to $24.25
SA 1055	Nov. 22 to Nov. 23, 2021	40,000	$24.18 to $24.90
SA 1057	Nov. 22 to Nov. 29, 2021	45,000	$23.72 to $24.50
SA 1082	Nov. 19 to Dec. 1, 2021	48,600	$24.12 to $24.61
SA 1083	Nov. 19 to Dec. 1, 2021	48,600	$24.12 to $24.61
TOTAL	**Nov. 11 to Dec. 1, 2021**	**2,207,604**	**$23.38 to $24.98**

VI. THE ANNOUNCEMENT AND WOLFE'S PROFITS

135. South Jersey's Board of Directors approved the merger agreement with Infrastructures on February 23, 2022, as described in Section II.B above.

136. The following morning, February 24, 2022, at 7:04 a.m., before the market opened, South Jersey announced that it had agreed to be acquired by Infrastructures at $36 per share in cash.

137. South Jersey stock had closed at $23.48 per share on February 23, 2022. When the

market opened on February 24, 2022, the price rose immediately. South Jersey stock closed that day at $32.84 per share—an increase of $9.36, or approximately 40%, from the prior day's closing price.

138. On the date of the Announcement, Wolfe held 2,145,604 shares of South Jersey stock across his eight accounts.[1]

139. As a result of his insider trading, Wolfe made unrealized profits of approximately $18.5 million on the date of the Announcement, a net return of approximately 36%:

Entity	Shares Held at Announcement	Unlawful Profits
Evergreen Capital	996,968	~$8,647,381
Evergreen Financial	982,639	~$8,492,752
Empire	5,697	~$48,717
GAW Holdings	19,433	~$178,498
SA 1055	40,000	~$325,947
SA 1057	45,000	~$396,782
SA 1082	27,895	~$226,398
SA 1083	27,972	~$226,973
TOTAL	**2,145,604**	**~$18,543,448**

VII. WOLFE TIPPED THREE OTHERS ABOUT SOUTH JERSEY

140. Wolfe also tipped three friends and business associates—Individual A, Individual B, and Individual C—with material nonpublic information about South Jersey that he obtained from Satsky, and each began purchasing South Jersey almost immediately after Wolfe contacted them. Together, they made approximately $515,000 in unrealized trading profits.

[1] GAW Holdings, SA 1082, and SA 1083 sold approximately 62,000 shares on February 22, 2022. Those sales were made to generate cash to satisfy contractually required payment obligations due March 1, 2022, of each of those entities, and are reflected in the share counts above.

A. Wolfe Tipped Individual A

141. Individual A is Wolfe's investment manager and a former partner at Evergreen Capital. As described in Section IV.A above, he executes securities trades at Wolfe's direction for the Evergreen Entities and other accounts Wolfe controls.

142. Wolfe and Individual A also have a close personal relationship. They met socially when Individual A worked under Wolfe's wife at a public company. After Individual A left that company, he and Wolfe continued to socialize. Wolfe supported the University A application of one of Individual A's children and helped another of Individual A's children in obtaining a job at Investment Bank A.

143. Wolfe regularly discussed his securities trading with Individual A.

144. Between November 9 and November 11, 2021, Wolfe and Individual A were in frequent contact. They exchanged at least one message through Wickr on November 9, spoke by phone twice on the morning of November 10, and spoke twice more early on November 11.

145. On one or more of those occasions, Wolfe knowingly or recklessly communicated to Individual A material nonpublic information about South Jersey's potential acquisition that Wolfe had obtained from Satsky. Wolfe did so with the expectation, or with reckless disregard of the risk, that Individual A would purchase South Jersey stock for his own account.

146. On the morning of November 11, 2021, before the market opened, Individual A placed orders at Wolfe's direction to purchase South Jersey stock in the Evergreen Entities' accounts. Likewise, before the market opened that morning, Individual A placed an order to purchase 10,000 shares of South Jersey stock in his own personal brokerage account. Both sets of orders were executed after the market opened.

147. Individual A continued buying South Jersey stock in his personal account while also executing Wolfe's South Jersey purchases in the Evergreen Entities' accounts. From November 11

through November 18, 2021, Individual A purchased 35,000 shares of South Jersey stock in total at prices ranging from $23.35 to $24.55 per share.

148. As a result of his purchases of South Jersey stock, Individual A made an unrealized profit of approximately $308,000 on the date of the Announcement.

B. Wolfe Tipped Individual B

149. Individual B is a close personal friend of Wolfe. They socialize frequently and vacation together with their wives. Individual B was formerly a trustee of one of Wolfe's family trusts and did work for GAW Holdings and the SA Accounts. Wolfe and Individual B have co-owned a company together and lent money to each other for investment purposes.

150. On December 3, 2021—a Friday, two days after Wolfe completed his own South Jersey purchases—Wolfe and Individual B spoke by phone for approximately 30 minutes.

151. During that call, Wolfe knowingly or recklessly communicated to Individual B material nonpublic information about South Jersey that Wolfe had obtained from Satsky. Wolfe did so with the expectation, or with reckless disregard of the risk, that Individual B would purchase South Jersey stock.

152. Within minutes of that call ending, just before market close, Individual B began buying South Jersey stock. He resumed buying on December 6, 2021, the next trading day.

153. From December 3 through December 8, 2021, Individual B purchased a total of 21,275 shares of South Jersey stock at prices ranging from $23.91 to $24.97 per share.

154. Two days before the Announcement, Individual B texted Wolfe asking whether Wolfe was "still bullish on [South Jersey]."

155. As a result of his purchases of South Jersey stock, Individual B made an unrealized profit of approximately $174,000 on the date of the Announcement.

156. Over the weekend of December 4 and 5, 2021—following his first South Jersey purchase—Individual B recommended South Jersey stock to his brother and brought the stock to the attention of his business partner. Both began buying South Jersey stock the next trading day.

157. Individual B's brother purchased South Jersey stock between December 6, 2021, and February 22, 2022, and made an unrealized profit of approximately $26,000 on the date of the Announcement.

158. Individual B's business partner purchased South Jersey stock between December 6, 2021, and January 20, 2022, and made an unrealized profit of approximately $1,962,000 on the date of the Announcement.

C. Wolfe Tipped Individual C

159. Individual C co-owns a restaurant business with Wolfe and his wife. Wolfe's wife holds an interest in the restaurant business through Evergreen Financial. Wolfe and his wife maintain a close personal relationship with Individual C.

160. On December 2, 2021—the day after Wolfe finished accumulating his South Jersey position—Wolfe called Individual C twice.

161. Two days later, on Saturday, December 4, 2021, Wolfe and Individual C exchanged calls, including one that lasted 19 minutes. The two also met for lunch that day, during which Wolfe raised his interest in obtaining a greater stake in their shared business.

162. On one or more of these occasions, Wolfe knowingly or recklessly communicated to Individual C material nonpublic information about South Jersey that Wolfe had obtained from Satsky. Wolfe did so with the expectation, or with reckless disregard of the risk, that Individual C would purchase South Jersey stock.

163. On Monday, December 6, 2021, Individual C began buying South Jersey stock.

164. From December 6, 2021 through January 10, 2022, Individual C purchased a total of 4,500 shares of South Jersey stock at prices ranging from $24.50 to $26.25 per share. Individual C then sold 200 shares on December 28, 2021, leaving a final position of 4,300 shares.

165. As a result of his purchases of South Jersey stock, Individual C made an unrealized profit of approximately $33,000 on the date of the Announcement.

VIII. WOLFE'S AND SATSKY'S CONDUCT AFTER THE ANNOUNCEMENT

A. Wolfe Sought Nonpublic Information from Satsky About the Merger's Status

166. The merger between South Jersey and Infrastructures did not close until February 1, 2023. In the months between the Announcement and the closing, Investment Bank A continued to represent South Jersey, and Satsky continued to have access to nonpublic information about the transaction.

167. On May 13, 2022, Wolfe left a voicemail on Satsky's personal cell phone. Wolfe told Satsky he did not want to leave the message on Satsky's work phone.

168. At the time of the voicemail, Wolfe still held South Jersey shares. He asked Satsky why South Jersey's stock price had been "beaten up lately," whether there was "anything going on" in terms of "regulatory approval," and why there would be "so much forced selling knowing it will be cash value by the end of the year."

169. Satsky returned Wolfe's call about 30 minutes later. The two spoke for approximately eight minutes.

B. Satsky Responded Falsely to a FINRA Inquiry

170. In August 2022, the Financial Industry Regulatory Authority ("FINRA"), a self-regulatory organization that reviews trading activity for potential market abuses, asked Investment Bank A to identify employees who had pre-Announcement knowledge of the South Jersey merger negotiations and to provide, for any names on FINRA's list of traders, information about the nature

and history of the relationship, the frequency and substance of contact during the period November 16, 2021 through February 23, 2022, and any insight as to how the identified person may have learned of the deal.

171. FINRA's list of traders included Wolfe, Empire, and the Evergreen Entities.

172. Investment Bank A circulated the FINRA request internally on August 22, 2022. That evening, Satsky photographed the "Background of the Merger" section of the South Jersey Schedule 14A Proxy Statement filed on or about March 18, 2022, which set out a chronology of the merger negotiations from October 2021 through January 2022.

173. Thirty minutes later, Satsky called Wolfe and the two spoke for approximately 20 minutes. An hour after that call, they spoke again for approximately 10 minutes.

174. Three days later, on August 25, 2022, Satsky submitted his response to the FINRA inquiry.

175. Satsky's response concerning Wolfe, Empire, and the Evergreen Entities stated, in its entirety: "Client and former power/utilities banker, periodic ordinary course coverage." Notwithstanding FINRA's request for information about the nature and history of his relationship with Wolfe and the frequency and substance of contact in the period leading up to the Announcement, Satsky did not disclose his close personal friendship with Wolfe, the years of personal and professional favors they had exchanged, or their frequent communications while the South Jersey sale process was ongoing.

C. Continued Contact After the FINRA Response

176. After submitting his FINRA response, Satsky called Wolfe multiple times. On August 30, 2022, and again on September 1, 2022, Satsky called Wolfe twice each day. On each of those days, they spoke for over 20 minutes.

177. On September 6, 2022, at approximately 6:39 p.m., Satsky photographed FINRA's list of traders and the accompanying FINRA request letter. Later that evening, Wolfe and Satsky spoke for over 10 minutes.

178. The next day, September 7, 2022, Wolfe and Satsky attended the U.S. Open tennis tournament together with their wives, in seats provided by Investment Bank A.

IX. WOLFE COORDINATED WITH INDIVIDUAL A WHILE INDIVIDUAL A WAS QUESTIONED BY THE FBI, AND THEN WOLFE MADE FALSE STATEMENTS TO THE FBI

179. On February 7, 2024, FBI agents arrived at Wolfe's Sunny Isles Beach, Florida condominium building to question him about his South Jersey trading. FBI agents also arrived that morning at Individual A's residence.

180. When agents arrived at Wolfe's building, Wolfe's wife told them he was on a business call. Wolfe was in fact on the phone with Individual A, who had called Wolfe after the agents arrived at Individual A's home. Individual A left the call connected while agents questioned him and placed his cell phone on a table near the agents, without disclosing to the agents that Wolfe was on the line.

181. Individual A told the FBI agents that he—not Wolfe—had come up with the idea to buy South Jersey stock in the Evergreen Entities' accounts, and that he made that investment decision without discussing it with Wolfe beforehand. That statement was false. Individual A knew that Wolfe alone had made the decision to purchase South Jersey stock and had directed Individual A to execute those purchases.

182. After his call with Individual A ended, Wolfe spoke with FBI agents in his condominium building.

183. When FBI agents questioned Wolfe, he told the agents he would not be surprised if buying South Jersey stock had been either his or Individual A's idea and that he did not recall

whether he had directed Individual A to buy South Jersey stock. Those statements were false and misleading. Wolfe knew that he alone had decided to purchase South Jersey stock and had directed Individual A to execute those purchases.

184. Wolfe also told the agents he did not believe he had discussed purchasing South Jersey stock with anyone else, and that while he may have mentioned it to friends over dinner, he did not generally discuss his investments with others.

185. In later investigative testimony before the Commission, Wolfe offered a different explanation: that he purchased South Jersey stock because it was undervalued and paid a steady dividend at a time when interest rates were very low, and that he had recommended the stock to others and told them those same reasons. Wolfe did not offer that explanation to the FBI.

FIRST CLAIM FOR RELIEF
Violations of Section 10(b) of the Exchange Act and Rule 10b-5 Thereunder
(Both Defendants)

186. The Commission re-alleges and incorporates by reference here the allegations in paragraphs 1 through 185.

187. Defendants, directly or indirectly, singly or in concert, in connection with the purchase or sale of securities and by the use of means or instrumentalities of interstate commerce, or the mails, or the facilities of a national securities exchange, knowingly or recklessly have (i) employed one or more devices, schemes, or artifices to defraud, (ii) made one or more untrue statements of a material fact or omitted to state one or more material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, and/or (iii) engaged in one or more acts, practices, or courses of business which operated or would operate as a fraud or deceit upon other persons.

188. By reason of the foregoing, Defendants, directly or indirectly, singly or in concert, have 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
Unjust Enrichment
(All Relief Defendants)

189. The Commission re-alleges and incorporates by reference here the allegation in paragraphs 1 through 185.

190. By virtue of the Defendants' illegal conduct alleged herein, Evergreen Capital, Evergreen Financial, Empire, GAW Holdings, SA 1055, SA 1057, SA 1082, and SA 1083 each received ill-gotten gains, to which they have no legitimate claim.

191. Evergreen Capital, Evergreen Financial, Empire, GAW Holdings, SA 1055, SA 1057, SA 1082, and SA 1083 obtained the ill-gotten gains under circumstances in which it is not just, equitable, or conscionable for them to retain the funds.

192. Evergreen Capital, Evergreen Financial, Empire, GAW Holdings, SA 1055, SA 1057, SA 1082, and SA 1083 have therefore been unjustly enriched and must disgorge the ill-gotten gains they have received.

PRAYER FOR RELIEF

WHEREFORE, the Commission respectfully requests that the Court enter a Final Judgment:

I.

Permanently enjoining Defendants Wolfe and Satsky and their agents, servants, employees, and attorneys and all persons in active concert or participation with any of them from violating, directly or indirectly, Exchange Act Section 10(b) [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5];

II.

Ordering Defendant Wolfe to disgorge all ill-gotten gains he received directly or indirectly, with pre-judgment interest thereon, as a result of the alleged violations, pursuant to Exchange Act Sections 21(d)(5) and 21(d)(7) [15 U.S.C. §§ 78u(d)(5) and 78u(d)(7)];

III.

Ordering Defendants Wolfe and Satsky to pay civil monetary penalties pursuant to Exchange Act Section 21A [15 U.S.C. § 78u-1];

IV.

Permanently prohibiting Defendants Wolfe and Satsky from serving as an officer or director of any company that has a class of securities registered under Exchange Act Section 12 [15 U.S.C. § 78l] or that is required to file reports under Exchange Act Section 15(d) [15 U.S.C. § 78o(d)], pursuant to Exchange Act Section 21(d)(2) [15 U.S.C. § 78u(d)(2)];

V.

Permanently prohibiting Defendant Satsky from, directly or indirectly, acting as, or being associated with, any broker or dealer; for purposes of this paragraph a person is associated with a broker or dealer if such person is a partner, officer, director, or branch manager of such broker or dealer (or occupies a similar status or performs similar functions), directly or indirectly controls, is controlled by, or is under common control with such broker or dealer, or is an employee of such broker or dealer;

VI.

Ordering Relief Defendants to pay, with prejudgment interest, all ill-gotten gains by which they were unjustly enriched, pursuant to Exchange Act Sections 21(d)(5) and 21(d)(7) [15 U.S.C. §§ 78u(d)(5) and 78u(d)(7)]; and

VII.

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

JURY DEMAND

The Commission demands a trial by jury.

Dated: New York, New York
August 21, 2026

Travis Hill

Sheldon L. Pollock
George N. Stepaniuk
Travis Hill
Hayden M. Brockett
Christopher R. Kelly
Cynthia A. Matthews
Attorneys for Plaintiff
SECURITIES AND EXCHANGE COMMISSION
New York Regional Office
100 Pearl Street
Suite 20-100
New York, NY 10004-2616
(212) 336-9135 (Hill)
Hilltr@sec.gov