

Press Release

SEC Charges Investment Banker in Insider Trading Scheme

FOR IMMEDIATE RELEASE

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Washington D.C., May 31, 2018 — The Securities and Exchange Commission today charged an employee of a prominent investment bank with repeatedly using his access to highly confidential information in order to place illicit and profitable trades in advance of deals on which the bank was providing investment banking advisory services.

According to the SEC's complaint, Woojae "Steve" Jung, a Vice President of Investment Banking who worked in the bank's San Francisco and New York offices, used sensitive client information in order to trade in the securities of 12 different companies prior to the announcement of market-moving events. The SEC alleges that between 2015 and 2017, Jung used an account held in the name of a friend living in South Korea to place these illegal trades and generate profits of approximately \$140,000. As alleged in the complaint, by using his friend's brokerage account, Jung attempted to evade detection by skirting his employer's requirements that he pre-clear his trades and that he use an approved brokerage firm that would have reported the trading to his employer.

"Jung tried to insulate himself by allegedly placing trades in the brokerage account of a friend who lived overseas," said Joseph G. Sansone, Chief of the SEC's Market Abuse Unit. "Like others before him, Jung's alleged scheme failed when our data analysis uncovered the account's suspicious trading pattern and, despite Jung's attempts at evasion, traced the trading back to him."

The SEC's complaint, filed in federal district court in Manhattan, charges Jung with fraud and seeks disgorgement of allegedly ill-gotten gains, pre-judgment interest, penalties, and injunctive relief. The complaint also names Jung's friend, Sungrok Hwang, as a relief defendant to have him disgorge illicit gains that Jung generated by trading in his brokerage account. The U.S. Attorney's Office for the Southern District of New York today unsealed criminal charges against Jung.

The SEC's investigation was conducted by Megan Bergstrom, David Brown, and Diana Tani of the Market Abuse Unit in the Los Angeles Regional Office with assistance from John Rymas of the unit's Analysis and Detection Center. Gary Leung will lead the SEC's litigation. The SEC appreciates the assistance of the U.S. Attorney's Office for the Southern District of New York, the Federal Bureau of Investigation, and the Financial Industry Regulatory Authority.

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Related Materials

- [SEC Complaint](#)