

# SEC Charges Former SeaWorld Associate General Counsel With Insider Trading

**FOR IMMEDIATE RELEASE**  
**2019-53**

*Washington D.C., April 9, 2019 —*

The Securities and Exchange Commission today charged a former senior lawyer at SeaWorld Entertainment Inc. with insider trading based on nonpublic information that the company's revenue would be better than anticipated for the second quarter of 2018.

The SEC alleges that Paul B. Powers had early access to key revenue information as the company's associate general counsel and assistant secretary, and he purchased 18,000 shares of SeaWorld stock the day after he received a confidential draft of the 2018 second quarter earnings release that detailed a strong financial performance by the company after a lengthy period of decline. According to the SEC's complaint, Powers immediately sold his SeaWorld shares for approximately \$65,000 in illicit profits after the company announced its positive earnings and the company's stock price increased by 17 percent.

"As alleged in our complaint, Powers blatantly exploited his access to nonpublic information by misusing SeaWorld's confidential revenue data to enrich himself," said Kurt Gottschall, Director of the SEC's Denver Regional Office. "Investors should feel confident in the integrity of corporate officers, particularly attorneys. The SEC is committed to swiftly pursuing insiders who breach their duties to investors."

The SEC's complaint, filed in federal district court in Orlando, Florida, charges Powers with fraud. Powers has consented to a permanent injunction with the amounts of disgorgement and penalties, if any, to be decided by the court. The settlement is subject to court approval.

In a parallel action, the U.S. Department of Justice today announced criminal charges against Powers arising out of the same conduct.

The SEC's investigation was conducted by L. James Lyman and supervised by Ian Karpel and Mr. Gottschall of the Denver office. The litigation will be handled by Stephen McKenna. The SEC appreciates the assistance of the U.S. Department of Justice and the U.S. Department of Homeland Security.

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