

**UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA**

SECURITIES AND EXCHANGE COMMISSION,	:	Civil Action No.
	:	
Plaintiff,	:	06-0531
	:	
v.	:	
	:	
JOHN F. MANGAN, JR.,	:	
Defendant,	:	
	:	
and	:	
	:	
HUGH L. MCCOLL, III,	:	
Relief Defendant.	:	

COMPLAINT

Plaintiff Securities and Exchange Commission (“Commission”) alleges as follows:

SUMMARY

1. This matter involves unlawful insider trading and unregistered sales of securities by Defendant John F. Mangan, Jr. (“Mangan”) in connection with a Private Investment in Public Equity (“PIPE”) offering of stock by CompuDyne Corporation (“CompuDyne”). Specifically, in the fall of 2001, Mangan, on the basis of material, nonpublic information concerning the PIPE offering, and in breach of duties of trust and confidence, traded in CompuDyne stock in advance of the public announcement of the CompuDyne PIPE offering and its terms. As a result, Mangan reaped \$56,937 in ill-gotten profits. Mangan obtained additional ill-gotten profits of \$121,933 through his

