

**UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS**

SECURITIES AND EXCHANGE COMMISSION,	:	
	:	
Plaintiff,	:	Civil Action No.
	:	
v.	:	JURY TRIAL DEMANDED
	:	
VLAD B. SPIVAK and SHIRMILA O. DODDI	:	
	:	
Defendants.	:	

COMPLAINT

Plaintiff Securities and Exchange Commission (“SEC” or “Commission”) alleges the following against Defendants Vlad B. Spivak (“Spivak”) and Shirmila O. Doddi (“Doddi”):

SUMMARY

1. This insider trading case arises from the illegal tipping in October 2011 of material, nonpublic information by Doddi, then a financial analyst in the commercial banking group of Wells Fargo Bank, N.A. (“Wells Fargo” or the “Bank”), about a possible corporate transaction involving American Dental Partners, Inc. (“ADPI”). This information soon centered on an acquisition of ADPI by JLL Partners, Inc. (“JLL”), a private equity firm.

2. Doddi tipped her romantic partner, Spivak, with the material, nonpublic information about ADPI that she had learned in the course of her employment.

3. As a result of Doddi's tips, Spivak purchased ADPI stock over a period of days from mid-October of 2011 through November 1, 2011. Spivak made these purchases both in his own brokerage accounts and in his mother's brokerage account.

4. On November 7, 2011, ADPI publicly announced that it had signed a merger agreement with JLL, whereby JLL would acquire all of ADPI's outstanding shares for \$19.00 per share (the "acquisition"). The announcement caused a seventy-nine percent increase in the price of ADPI's common stock.

5. Following the announcement, Spivak sold the shares of ADPI that he had purchased in his and his mother's accounts for a profit of \$222,357.

6. By engaging in the trading scheme describe herein, Defendants violated and, unless enjoined and restrained, will continue to violate 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].

7. By this action, the Commission seeks: (a) to enjoin Defendants from further violating the securities laws in the future; (b) to compel the disgorgement of Spivak's unlawful profits with prejudgment interest; and (c) to impose civil monetary penalties on each Defendant.

JURISDICTION AND VENUE

8. The Commission brings this action pursuant to Sections 21(d) and 21A of the Exchange Act [15 U.S.C. §§ 78u(d), 78u-1].

9. This Court has jurisdiction over this action pursuant to 28 U.S.C. § 1331, and Sections 21(d) and 21A of the Exchange Act [15 U.S.C. §§ 78u(d), 78u-1]. The Defendants have directly or indirectly made use of the means or instruments of interstate

commerce, or of the mails, or the facilities of a national securities exchange in connection with the transactions, acts, practices and courses of business alleged herein.

10. Venue is proper under 28 U.S.C. § 1391(b) and Section 27 of the Exchange Act [15 U.S.C. § 78aa] because certain acts or transactions constituting the violations occurred in this district.

DEFENDANTS

11. **Vlad B. Spivak**, age 39, resides in Medford, Massachusetts. During the relevant time period, Spivak was unemployed and supported himself, in part, as a trader in securities.

12. **Shirmila Doddi**, age 27, resides in San Diego, California. During the relevant time period Doddi resided in Boston, Massachusetts, and was employed as a financial analyst in the commercial banking group of Wells Fargo.

RELEVANT ENTITIES

13. **American Dental Partners, Inc.** was a Delaware corporation with its principal place of business in Wakefield, Massachusetts. ADPI provided dental practice management services to dental group practices. On November 7, 2011, ADPI announced that it had entered into a merger agreement with JLL Partners, Inc., whereby JLL would acquire ADPI at \$19.00 per share. On February 9, 2012, under the terms of the merger agreement, JLL, through its affiliated entities, completed its acquisition of ADPI. Until February 9, 2012, American Dental Partners, Inc.'s common stock was traded on the NASDAQ exchange under the ticker symbol "ADPI" and registered under Section 12(b) of the Exchange Act.

14. **JLL Partners, Inc.** JLL Partners, Inc. is a private equity investment firm with its headquarters in New York, New York.

15. **Wells Fargo Bank, N.A.**, is a national bank that provides retail, commercial, and corporate banking services. Wells Fargo Bank, N.A. is headquartered in Sioux Falls, South Dakota, and is a wholly-owned subsidiary of Wells Fargo & Co., a Delaware corporation with its principal place of business in San Francisco, California.

FACTS

I. Doddi's Access to Material Nonpublic Information Regarding Possible Corporate Transactions Regarding ADPI

16. As a financial analyst in the commercial banking group at Wells Fargo, Doddi often had access to nonpublic information about companies that were clients of the Bank. Such nonpublic information included confidential financial projections, as well as information about potential transactions involving the Bank's clients.

17. At all relevant times, Doddi was aware that she had a duty to the Bank to keep such nonpublic information confidential.

18. In March 2011, individuals from a Wells Fargo investment bank affiliate (Wells Fargo Securities) met with executives from ADPI to discuss possible merger and acquisition possibilities. At that time, ADPI said that it was interested in possibly acquiring other companies, but did not see itself as an acquisition candidate.

19. Starting in approximately May 2011, Doddi was assigned to be the financial analyst for ADPI, which was then a commercial banking client of the Bank. In September 2011, Doddi learned that the investment bankers from the Bank's affiliate had identified a possible transaction that they thought would interest ADPI.

20. The investment bankers prepared a presentation for ADPI. Doddi received the presentation materials as an attachment to an e-mail on the morning of September 26, 2011. Later that day, there was an internal conference call involving personnel from the Bank and its affiliated investment bankers to discuss the presentation.

21. The relationship manager for ADPI at the Bank attended a lunch meeting with the CFO of ADPI on October 6, 2011. Individuals from the Wells Fargo investment bank had been invited, but were unable to attend. Among the matters discussed at that luncheon was a possible meeting with the investment bankers to discuss merger and acquisition ideas. ADPI's CFO told the relationship manager that any such discussion should be put off for several weeks.

22. Doddi was not present at this luncheon, but in the course of her employment learned that it had taken place. She also learned that one of the subjects discussed at the meeting was possible merger and acquisition activity involving ADPI.

23. On October 13, 2011, Doddi received an email from the relationship manager for ADPI at the Bank. He told Doddi, among others, that ADPI's CFO had called him that morning, on a "highly confidential basis," to inform him that ADPI had agreed to be acquired by JLL Partners for \$20 per share in a going-private transaction. The email, labeled "HIGHLY CONFIDENTIAL" in the subject line, further stated that ADPI hoped to publicly announce the transaction in the first week of November 2011.

24. Doddi knew that she he owed a duty of trust and confidence to the Bank which required her to maintain the confidentiality of all material, nonpublic information that she received relating to ADPI.

II. Doddi's Tipping and the Resulting Trading

A. Doddi Tipped Spivak with Material, Nonpublic Information

25. Doddi and Spivak met at a salsa dancing club in early 2011 and developed a romantic relationship that lasted at least through the end of 2011.

26. Doddi and Spivak communicated on an almost daily basis throughout 2011, including by telephone, text messages, and Facebook's messaging service.

27. Doddi and Spivak also frequently stayed overnight at each other's homes during 2011, including the period prior to October 2011.

28. Spivak described himself to Doddi as a "day trader," and frequently talked to Doddi about the different stocks that he traded.

29. Spivak was aware that Doddi had access to material, nonpublic information through her job at the Bank, and that she had a duty not to disclose such information to him.

30. On multiple occasions, Spivak asked Doddi to provide him with nonpublic information that she had acquired in the course of her employment. Spivak further told Doddi that insider trading was not a big deal and that individuals rarely get caught.

31. With one exception, Doddi rejected Spivak's requests for inside information, telling him that she was not supposed to discuss such information with him.

32. Despite her refusal to provide information on prior occasions, Doddi did have several communications with Spivak regarding ADPI.

33. Between October 6, 2011, and October 13, 2011, and in violation of her duty to maintain the confidentiality of such information, Doddi knowingly provided Spivak with material, nonpublic information about the possibility of merger and acquisition

activity involving ADPI. Doddi provided this information with the intention that Spivak use the information to purchase ADPI stock.

34. Between October 6, 2011, and October 9, 2011, Doddi told Spivak that she had learned at work that ADPI was potentially going to be involved in a business combination transaction. Spivak knew or should have known that the information Doddi provided him about ADPI was confidential information that she had obtained in the course of her employment at the Bank. Spivak further knew or should have known that Doddi had disclosed such information to him in violation of her duty of trust and confidence to the Bank.

35. On the afternoon of October 13, 2011, less than an hour after Doddi had received the email from her supervisor detailing the potential acquisition of ADPI by JLL, she sent a text to Spivak confirming that a transaction involving ADPI was going to take place. Spivak knew or should have known that the information Doddi provided him about ADPI was confidential information that she had obtained in the course of her employment at the Bank. Spivak further knew or should have known that Doddi had disclosed such information to him in violation of her duty of trust and confidence to the Bank.

36. Although Doddi did not trade on the information, in tipping Spivak, she conferred a gift upon a romantic partner.

B. Spivak Purchased ADPI Stock on the Basis of the Material, Nonpublic Information Received from Doddi

37. Between October 10, 2011, and November 1, 2011, Spivak purchased 17,100 shares of ADPI stock in three TD Ameritrade accounts that were in his name. In addition, between October 12, 2011, and October 17, 2011, Spivak purchased 8,060

shares of ADPI stock in a Fidelity account that was in the name of his mother, Lyudmila Spivak.

38. On November 7, 2011, ADPI publicly announced that it had signed a merger agreement with JLL, whereby JLL would acquire all of ADPI's outstanding shares for \$19.00 per share (the "acquisition"). The announcement caused a seventy-nine percent increase in the price of ADPI's common stock.

39. Between November 10, 2011, and February 1, 2012, Spivak sold all 25,160 shares of ADPI that he had purchased in his and his mother's accounts for total profits of \$222,357.

40. Spivak's mother died in April of 2014. The assets in the account of Spivak's mother in which the trading in ADPI had taken place were transferred to Spivak as the beneficiary on May 7, 2014.

CLAIM FOR RELIEF

Violations of Exchange Act Section 10(b) [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder

41. Paragraphs 1 through 35 are hereby realleged and incorporated by reference, as though fully set forth herein.

42. As described above, Defendant Doddi engaged in an illegal insider trading scheme in which, in breach of a duty and duties of trust or confidence that she owed to Wells Fargo, she knowingly or recklessly tipped Spivak with material, nonpublic information that was later used to purchase or sell securities.

43. As described above, Defendant Spivak engaged in an illegal insider trading scheme in which he possessed and used material, nonpublic information which he knew

or should have known was provided to him in breach of a duty of trust or confidence to purchase ADPI securities.

44. By their conduct described above, Defendants, in connection with the purchase or sale of securities, by the use of any means or instruments of interstate commerce or of the mails, or of any facility of any national securities exchange, directly or indirectly: (a) employed devices, schemes or artifices to defraud; (b) made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; or (c) engaged in acts, practices, or course of business which operated or would operate as a fraud or deceit upon any persons, including purchasers or sellers of securities.

45. By engaging in the conduct described above, Defendants violated, and unless enjoined will again violate, Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder.

PRAYER FOR RELIEF

WHEREFORE, the Commission respectfully requests a final judgment:

A. Permanently enjoining each Defendant from violating, directly or indirectly, 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];

B. Ordering each Defendant to disgorge, with prejudgment interest, all illicit trading profits or other ill-gotten gains received as a result of the conduct alleged in this complaint, including, as to Spivak, his own illicit trading profits or other ill-gotten gains as well as the illicit trading profits or other ill-gotten gains realized in his mother's

account, which subsequently was inherited by Spivak and, as to Doddi, the illicit trading profits or other ill-gotten gains of both Spivaks;

C. Ordering each Defendant to pay a civil monetary penalty pursuant to Section 21A of the Exchange Act [15 U.S.C. § 78u-1];

D. Retaining jurisdiction over this action to implement and carry out the terms of all orders and decrees that may be entered; and

E. Granting such other and further relief as the Court deems just and appropriate.

DEMAND FOR JURY TRIAL

A jury trial is demanded on all issues so triable.

Respectfully submitted,

**SECURITIES AND EXCHANGE
COMMISSION**

s/ John D. Worland, Jr.
John D. Worland, Jr.
Antonia Chion
Yuri Zelinsky
Jason Litow

Dated: November 2, 2015

CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS
(b) County of Residence of First Listed Plaintiff
(c) Attorneys (Firm Name, Address, and Telephone Number)

DEFENDANTS
County of Residence of First Listed Defendant
NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF THE TRACT OF LAND INVOLVED.
Attorneys (If Known)

II. BASIS OF JURISDICTION (Place an "X" in One Box Only)
1 U.S. Government Plaintiff
2 U.S. Government Defendant
3 Federal Question (U.S. Government Not a Party)
4 Diversity (Indicate Citizenship of Parties in Item III)

III. CITIZENSHIP OF PRINCIPAL PARTIES (Place an "X" in One Box for Plaintiff and One Box for Defendant)
PTF DEF
Citizen of This State
Citizen of Another State
Citizen or Subject of a Foreign Country
Incorporated or Principal Place of Business In This State
Incorporated and Principal Place of Business In Another State
Foreign Nation

IV. NATURE OF SUIT (Place an "X" in One Box Only)
CONTRACT
REAL PROPERTY
TORTS
CIVIL RIGHTS
PRISONER PETITIONS
FORFEITURE/PENALTY
LABOR
IMMIGRATION
BANKRUPTCY
SOCIAL SECURITY
FEDERAL TAX SUITS
OTHER STATUTES

V. ORIGIN (Place an "X" in One Box Only)
1 Original Proceeding
2 Removed from State Court
3 Remanded from Appellate Court
4 Reinstated or Reopened
5 Transferred from Another District
6 Multidistrict Litigation

VI. CAUSE OF ACTION
Cite the U.S. Civil Statute under which you are filing (Do not cite jurisdictional statutes unless diversity):
Brief description of cause:

VII. REQUESTED IN COMPLAINT:
CHECK IF THIS IS A CLASS ACTION UNDER RULE 23, F.R.Cv.P. DEMAND \$
CHECK YES only if demanded in complaint: JURY DEMAND: Yes No

VIII. RELATED CASE(S) IF ANY
(See instructions): JUDGE DOCKET NUMBER

DATE SIGNATURE OF ATTORNEY OF RECORD

FOR OFFICE USE ONLY
RECEIPT # AMOUNT APPLYING IFP JUDGE MAG. JUDGE

INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each civil complaint filed. The attorney filing a case should complete the form as follows:

- I.(a) Plaintiffs-Defendants.** Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.
- (b) County of Residence.** For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the time of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation cases, the county of residence of the "defendant" is the location of the tract of land involved.)
- (c) Attorneys.** Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment, noting in this section "(see attachment)".
- II. Jurisdiction.** The basis of jurisdiction is set forth under Rule 8(a), F.R.Cv.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.
 United States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.
 United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box.
 Federal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and box 1 or 2 should be marked.
 Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of the different parties must be checked. (See Section III below; **NOTE: federal question actions take precedence over diversity cases.**)
- III. Residence (citizenship) of Principal Parties.** This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this section for each principal party.
- IV. Nature of Suit.** Place an "X" in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is sufficient to enable the deputy clerk or the statistical clerk(s) in the Administrative Office to determine the nature of suit. If the cause fits more than one nature of suit, select the most definitive.
- V. Origin.** Place an "X" in one of the six boxes.
 Original Proceedings. (1) Cases which originate in the United States district courts.
 Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the petition for removal is granted, check this box.
 Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.
 Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.
 Transferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict litigation transfers.
 Multidistrict Litigation. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407. When this box is checked, do not check (5) above.
- VI. Cause of Action.** Report the civil statute directly related to the cause of action and give a brief description of the cause. **Do not cite jurisdictional statutes unless diversity.** Example: U.S. Civil Statute: 47 USC 553 Brief Description: Unauthorized reception of cable service
- VII. Requested in Complaint.** Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.
 Demand. In this space enter the actual dollar amount being demanded or indicate other demand, such as a preliminary injunction.
 Jury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.
- VIII. Related Cases.** This section of the JS 44 is used to reference related pending cases, if any. If there are related pending cases, insert the docket numbers and the corresponding judge names for such cases.

Date and Attorney Signature. Date and sign the civil cover sheet.

UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS

1. Title of case (name of first party on each side only) _____

2. Category in which the case belongs based upon the numbered nature of suit code listed on the civil cover sheet. (See local rule 40.1(a)(1)).

- ___ I. 410, 441, 470, 535, 830*, 891, 893, 895, R.23, REGARDLESS OF NATURE OF SUIT.
- ___ II. 110, 130, 140, 160, 190, 196, 230, 240, 290,320,362, 370, 371, 380, 430, 440, 442, 443, 445, 446, 448, 710, 720, 740, 790, 820*, 840*, 850, 870, 871.
- ___ III. 120, 150, 151, 152, 153, 195, 210, 220, 245, 310, 315, 330, 340, 345, 350, 355, 360, 365, 367, 368, 375, 385, 400, 422, 423, 450, 460, 462, 463, 465, 480, 490, 510, 530, 540, 550, 555, 625, 690, 751, 791, 861-865, 890, 896, 899, 950.

*Also complete AO 120 or AO 121. for patent, trademark or copyright cases.

3. Title and number, if any, of related cases. (See local rule 40.1(g)). If more than one prior related case has been filed in this district please indicate the title and number of the first filed case in this court.

4. Has a prior action between the same parties and based on the same claim ever been filed in this court?

YES NO

5. Does the complaint in this case question the constitutionality of an act of congress affecting the public interest? (See 28 USC §2403)

YES NO

If so, is the U.S.A. or an officer, agent or employee of the U.S. a party?

YES NO

6. Is this case required to be heard and determined by a district court of three judges pursuant to title 28 USC §2284?

YES NO

7. Do all of the parties in this action, excluding governmental agencies of the United States and the Commonwealth of Massachusetts ("governmental agencies"), residing in Massachusetts reside in the same division? - (See Local Rule 40.1(d)).

YES NO

A. If yes, in which division do all of the non-governmental parties reside?

Eastern Division Central Division Western Division

B. If no, in which division do the majority of the plaintiffs or the only parties, excluding governmental agencies, residing in Massachusetts reside?

Eastern Division Central Division Western Division

8. If filing a Notice of Removal - are there any motions pending in the state court requiring the attention of this Court? (If yes, submit a separate sheet identifying the motions)

YES NO

(PLEASE TYPE OR PRINT)

ATTORNEY'S NAME _____

ADDRESS _____

TELEPHONE NO. _____