

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

INVESTMENT ADVISERS ACT OF 1940
Release No. 3864 / June 27, 2014

ADMINISTRATIVE PROCEEDING
File No. 3-15950

In the Matter of

S.A.C. CAPITAL ADVISORS, L.P.
S.A.C. CAPITAL ADVISORS, LLC
CR INTRINSIC INVESTORS, LLC
SIGMA CAPITAL MANAGEMENT, LLC
PARAMETER CAPITAL
MANAGEMENT, LLC
72 CREDIT MANAGEMENT, LLC
S.A.C. PRIVATE EQUITY GP, L.P.
POINT72 ASIA (HONG KONG) LIMITED
POINT72 ASIA (NORTH ASIA) LIMITED
and
POINT72 ASIA (SINGAPORE) PTE. LTD

Respondents.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
PURSUANT TO SECTION 203(e) OF
THE INVESTMENT ADVISERS ACT
OF 1940, MAKING FINDINGS, AND
IMPOSING REMEDIAL SANCTIONS

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 203(e) of the Investment Advisers Act of 1940 (the “Advisers Act”) against S.A.C. Capital Advisors, L.P. (“SAC LP”), S.A.C. Capital Advisors, LLC (“SAC LLC”), CR Intrinsic Investors, LLC (“CR Intrinsic”), Sigma Capital Management, LLC (“Sigma Capital”), Parameter Capital Management, LLC (“Parameter”), 72 Credit Management, LLC (“72 Credit”), S.A.C. Private Equity GP, L.P. (“SAC Private Equity”), Point72 Asia (Hong Kong) Limited f/k/a S.A.C. Capital Advisors (Hong Kong) Limited (“SAC Hong Kong”), Point72 Asia (North Asia) Limited (f/k/a S.A.C. Capital Advisors (North Asia) Limited) (“SAC North Asia”), Point72 Asia (Singapore) Pte. Ltd. (f/k/a S.C. Advisors (Singapore) Pte. Ltd.) (“SAC Singapore,” and collectively with SAC LP, SAC LLC, Sigma Capital, CR Intrinsic, Parameter, 72 Credit, SAC Private Equity, SAC Hong Kong, and SAC North Asia, “the SAC Entities” or “Respondents”).

II.

In anticipation of the institution of these proceedings, Respondents have submitted an Offer of Settlement (the “Offer”) which the Commission has determined to accept. Solely for the purpose of these proceedings and any other proceedings brought by or on behalf of the Commission, or to which the Commission is a party, Respondents consent to the Commission’s jurisdiction over them and the subject matter of these proceedings, and the findings contained in Section III.C. below, and consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 203(e) of the Investment Advisers Act of 1940, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondents’ Offer, the Commission finds that:

A. RESPONDENTS

1. SAC LP is a Stamford, Connecticut-based investment adviser that has been registered with the Commission since March 2012. Steven A. Cohen (“Cohen”) is the Chief Executive Officer of SAC LP and indirectly owns more than 99.9% of the firm. SAC LP, along with certain of the other SAC Entities, advises multiple hedge funds and, as of February 1, 2014, managed approximately \$11.9 billion in net assets. Of that amount, approximately \$623 million, as of February 1, 2014, was attributable to “side pocket” investments that are not available for redemption.

2. SAC LLC is an entity based in Stamford, Connecticut and affiliated with Cohen that managed certain affiliated hedge funds until the end of 2008, when SAC LP became the investment adviser to such funds.

3. CR Intrinsic is an entity located in Stamford, Connecticut that is a wholly-owned subsidiary of SAC LP and was registered with the Commission in reliance on the registration of SAC LP as an investment adviser from March 2012 until April 11, 2014. On November 20, 2012, the Commission charged CR Intrinsic with insider trading in SEC v. CR Intrinsic Investors, LLC, et al., 12-CV-8466 (VM) (S.D.N.Y.). On April 15, 2013, the U.S. District Court for the Southern District of New York conditionally approved the Commission’s settlement with CR Intrinsic, which included a permanent antifraud injunction and required the firm to pay \$274,972,541 in disgorgement, \$51,802,381.22 in prejudgment interest, and a \$274,972,541 penalty.

4. Sigma Capital is an entity located in New York, New York that is a wholly-owned subsidiary of SAC LP and was registered with the Commission in reliance on the registration of SAC LP as an investment adviser from March 2012 until April 11, 2014. On March 15, 2013, the Commission filed SEC v. Sigma Capital Management, LLC, et al., 13-CV-1740 (HB) (S.D.N.Y.), a settled insider trading action against Sigma Capital (which also named two hedge funds managed by Sigma Capital and SAC LP as relief defendants). On March 28, 2013, the Court approved the Commission’s settlement with Sigma Capital, which included a

permanent antifraud injunction and required the firm to pay disgorgement of \$6.425 million, prejudgment interest of \$1,094,161.92, and a civil penalty of \$6.425 million.

5. Parameter is an entity located in Stamford, Connecticut that is a wholly-owned subsidiary of Point72 Asset Management, L.P., a Delaware limited partnership (“Point72”), and was registered with the Commission in reliance on the registration of SAC LP as an investment adviser from March 2012 until April 11, 2014.

6. 72 Credit is an investment adviser located in Stamford, Connecticut that is a wholly-owned subsidiary of SAC LP and is registered with the Commission in reliance on the registration of SAC LP as an investment adviser. 72 Credit manages fixed income investments, including several side pocket investments.

7. SAC Private Equity is an entity located in Stamford, Connecticut that is under common control with SAC LP and in reliance on the registration of SAC LP as an investment adviser from March 2012 until April 11, 2014.

8. SAC Hong Kong is an entity located in Hong Kong, China that is under common control with SAC LP and was registered with the Commission in reliance on the registration of SAC LP as an investment adviser from March 2012 until April 11, 2014.

9. SAC North Asia is an entity located in Japan that is a wholly-owned subsidiary of SAC Hong Kong and was registered with the Commission in reliance on the registration of SAC LP as an investment adviser from March 2012 until April 11, 2014.

10. SAC Singapore is an entity located in Singapore that is under common control with SAC LP and was registered with the Commission in reliance on the registration of SAC LP as an investment adviser from March 2012 until April 11, 2014.

B. RELATED PERSON

11. Cohen, age 58, resides in Greenwich, Connecticut. He is the founder and owner of various investment advisers under the moniker S.A.C., including SAC LP. Prior to entering the hedge fund advisory business in 1992, Cohen held a Series 3 license while employed at Gruntal & Co. On July 19, 2013, the Commission instituted administrative proceedings against Cohen pursuant to Section 203(f) of the Advisers Act based on allegations by the Commission’s Division of Enforcement that Cohen failed reasonably to supervise his employees with a view to preventing them from engaging in insider trading in violation of Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 10b-5 thereunder. On August 8, 2013, Chief Administrative Law Judge Brenda Murray granted an application by the United States Attorney’s Office for the Southern District of New York (“USAO”) to intervene in the administrative proceedings against Cohen and ordered the proceedings stayed pending the resolution of the parallel criminal cases against Mathew Martoma (a former portfolio manager at CR Intrinsic), Michael Steinberg (a former portfolio manager at Sigma Capital), and SAC LP, SAC LLC, CR Intrinsic, and Sigma Capital.

C. THE CRIMINAL CONVICTIONS AGAINST SAC LP, SAC LLC, SIGMA CAPITAL, AND CR INTRINSIC

12. On July 23, 2013, SAC LP, SAC LLC, CR Intrinsic, and Sigma Capital were each charged with one count of wire fraud in violation of 18 U.S.C. § 1343, and one count of securities fraud in violation of 15 U.S.C. §§ 78j(b) and 78ff and 17 C.F.R. §§ 240.10b-5 and 240.10b5-2. On the same date, the USAO also filed a civil forfeiture action, entitled U.S. v. S.A.C. Capital Advisors L.P., et al., 13-CV-5182 (RJS) (S.D.N.Y.), against SAC LP, SAC LLC, CR Intrinsic, Sigma Capital and 24 investment funds managed by SAC LP and/or its investment adviser subsidiaries (as in rem defendants).

13. On November 8, 2013, SAC LP, SAC LLC, CR Intrinsic, and Sigma Capital each pleaded guilty to one count of wire fraud and securities fraud pursuant to a plea agreement with the USAO. The plea agreement requires the four defendants to pay a criminal fine totaling \$900 million. In addition, the agreement requires the four defendants to forfeit an additional \$900 million in the civil forfeiture action, although the forfeiture amount was reduced by \$616 million in light of the amounts that that CR Intrinsic and Sigma Capital had already paid or agreed to pay to settle insider trading charges brought by the Commission in SEC v. CR Intrinsic Investors, LLC, et al., 12-CV-8466 (VM) (S.D.N.Y.) and SEC v. Sigma Capital Management, LLC, et al., 13-CV-1740 (HB) (S.D.N.Y.). The guilty pleas by SAC LP, SAC LLC, CR Intrinsic, and Sigma Capital were accepted by the court on April 10, 2014.

14. The criminal charges against SAC LP, SAC LLC, CR Intrinsic and Sigma Capital alleged, among other things, that multiple employees and agents of those entities, over the course of several years, obtained material, nonpublic information relating to publicly-traded companies and executed, or caused the funds managed by those entities to execute, securities trades based on that information.

Undertakings

15. As part of the Offer of Settlement, Respondents undertake:
- a. before June 30, 2014, to transfer to a family office established by Cohen in accordance with Advisers Act Rule 202(a)(11)(G)-1 the management of the investments in the private funds managed by the SAC Entities that are currently held by Cohen and/or persons or entities eligible to be clients of a family office operated by Cohen;
 - b. before June 30, 2014, that SAC LLC, Sigma Capital, CR Intrinsic, Parameter, SAC Private Equity, SAC Hong Kong, SAC North Asia, and SAC Singapore will cease to be “investment advisers,” as defined under Section 202(a)(11) of the Advisers Act;
 - c. before June 30, 2014, SAC LP and 72 Credit will cease to be “investment advisers,” as defined under Section 202(a)(11) of the Advisers Act, except

with respect to the side pocket investments and related investments listed in Appendix A to the Offer of Settlement;

- d. before June 30, 2014, to discontinue the substantive involvement of Cohen in the management by SAC LP and 72 Credit of investments, and, to the extent that Cohen's participation in a given investment is solely due to a direct or indirect investment by Cohen in one or more funds managed by SAC LP or 72 Credit, cease to provide Cohen with any information about such investments that is not simultaneously provided to third-party investors in funds managed by SAC LP or 72 Credit who are participants in such investments;
- e. before December 31, 2015, to distribute to the Cohen family office, funds managed by the Cohen family office and/or third-party investors all side pocket investments listed in Appendix A to the Offer of Settlement, proceeds from the liquidation thereof and/or ownership interests in an entity holding all or a portion of such investments, and for SAC LP and 72 Credit to cease to be "investment advisers," as defined under Section 202(a)(11) of the Advisers Act, with the understanding that SAC LP and/or 72 Credit may, in order to allow them to complete an orderly wind-down of their business as registered investment advisers, apply to the Commission to extend the date by which they must distribute the side pocket investments, proceeds therefrom or ownership interests in an entity holding all or a portion of such investments and cease to be "investment advisers," as defined under Section 202(a)(11) of the Advisers Act;
- f. before December 31, 2015, to remove 72 Credit as an investment adviser relying on the registration of SAC LP;
- g. to submit to Sanjay Wadhwa, Senior Associate Regional Director (New York Regional Office), with a copy to the Office of Chief Counsel of the Enforcement Division, sworn certifications signed by Cohen every six months beginning December 31, 2014, and ending on the date that SAC LP and 72 Credit cease to be "investment advisers," as defined under Section 202(a)(11) of the Advisers Act, in which he affirms that from June 30, 2014 through the date of the affirmation, the undertakings in paragraph 15(d) above have been complied with; and
- h. certify, in writing, compliance with the undertakings set forth above. The certification shall identify the undertakings, provide written evidence of compliance in the form of a narrative, and be supported by any relevant exhibits, to the extent such exhibits would be necessary to demonstrate compliance. The Commission staff may make reasonable requests for further evidence of compliance, and Respondent agrees to provide such evidence. The certification and supporting material shall be submitted to Sanjay Wadhwa, Senior Associate Regional Director (New York Regional

Office), with a copy to the Office of Chief Counsel of the Enforcement Division, no later than February 29, 2016.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondents' Offer.

Accordingly, it is hereby ORDERED pursuant to Section 203(e) of the Advisers Act that:

- (A) Effective December 31, 2015, the registration of Respondent SAC LP as an investment adviser is revoked;
- (B) Respondents shall comply with the undertakings enumerated in paragraph 15 above.

By the Commission.

Jill M. Peterson
Assistant Secretary

