

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934

Release No. 104637 / January 21, 2026

ADMINISTRATIVE PROCEEDING

File No. 3-22581

In the Matter of

SONG YUAN

Respondent.

**ORDER INSTITUTING CEASE-AND-
DESIST PROCEEDINGS PURSUANT TO
SECTION 21C OF THE SECURITIES
EXCHANGE ACT OF 1934, MAKING
FINDINGS, AND IMPOSING A CEASE-
AND-DESIST ORDER**

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 21C of the Securities Exchange Act of 1934 (“Exchange Act”), against Song Yuan (“Yuan” or “Respondent”).

II.

In anticipation of the institution of these proceedings, Respondent has 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, and without admitting or denying the findings herein, except as to the Commission’s jurisdiction over him and the subject matter of these proceedings, which are admitted, and except as provided herein in Section V, Respondent consents to the entry of this Order Instituting Cease-and-Desist Proceedings Pursuant to Section 21C of the Securities Exchange Act of 1934, Making Findings, and Imposing a Cease-and-Desist Order (“Order”), as set forth below.

III.

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

Summary

This matter involves insider trading by Song Yuan in the securities of Cooper Tire and Rubber Co. (“Cooper”) in advance of the February 21, 2021 announcement that The Goodyear Tire and Rubber Co. (“Goodyear”) had agreed to acquire all outstanding shares of Cooper stock. Following the announcement, Cooper’s stock price rose by approximately 29%.

On two occasions in early 2021, Yuan learned material nonpublic information about the contemplated acquisition while acting as a translator during videoconferences between Cooper’s CEO and Yuan’s close family member (the “Family Member”), who was a high-level executive of the China-based tire company where Yuan was employed (the “Tire Company”). Within hours of each call, Yuan purchased Cooper stock on the basis of the material, nonpublic information, knowingly or recklessly breaching a duty of trust and confidence he owed to Cooper and to the Family Member. Yuan generated \$65,602 in ill-gotten gains through his trading.

Respondent

1. **Song Yuan**, age 44, is a Vice President of the Tire Company. He is a Chinese citizen and, since at least 2018, has resided in China and worked for the Tire Company. He has never been registered with the Commission in any capacity.

Other Relevant Entities

2. **Cooper** was a tire manufacturer incorporated in Delaware with a principal place of business in Findlay, OH. Cooper’s common stock was registered with the Commission pursuant to Section 12(b) of the Exchange Act and traded on the New York Stock Exchange under the ticker “CTB” prior to its merger with Goodyear.

Background

3. Yuan has been an employee of the Tire Company since at least 2018. During the relevant time period, Yuan was a Vice President in charge of procurement. The Family Member was a high-level executive of the Tire Company. Yuan had a relationship of trust and confidence with the Family Member.

4. In 2018, the Tire Company and its affiliates entered into two agreements with Cooper’s affiliates creating joint ventures (the “Joint Ventures”). The agreements contained confidentiality provisions that applied to the Joint Ventures, the signing parties’ affiliates, and all officers, directors, and employees of the affiliates. Yuan was aware of the Joint Ventures between Cooper’s affiliates and the Tire Company and its affiliates.

5. On January 20, 2021, Goodyear sent Cooper a definitive merger agreement with an initial price of \$53.50 per Cooper share.

6. On January 22, 2021, Cooper’s CEO sent an email to the Family Member requesting a videoconference. The email from Cooper’s CEO indicated the discussion would

involve a “highly confidential matter” and, due to the confidentiality of the matter to be discussed, he requested that only he, the Family Member, and a Cooper employee acting as a translator attend the call. The Family Member forwarded the email to Yuan.

7. On January 25, 2021, Cooper’s CEO and the Family Member communicated via videoconference, with Yuan participating on the call as the Family Member’s translator. Yuan and the Family Member did not object to the Cooper CEO’s email request for confidentiality. During the videoconference, Cooper’s CEO disclosed that Cooper had received an offer from Goodyear and sought the Family Member’s reaction to a potential merger between Cooper and Goodyear.

8. Shortly after the January 25, 2021 videoconference ended, Yuan purchased 1,000 shares of Cooper at \$39.20 per share.

9. On Monday, February 8, 2021, Yuan sold 1,000 Cooper shares at \$40 per share.

10. On Friday, February 12, 2021, Cooper’s CEO sent a second email to the Family Member, requesting another videoconference to provide him with “an update on the confidential project [they] discussed recently.” The Family Member again forwarded the email to Yuan.

11. The second videoconference occurred on February 16, 2021. Yuan again acted as the Family Member’s interpreter. Yuan and the Family Member did not object to the Cooper CEO’s email request for confidentiality. On the videoconference, Cooper’s CEO stated that there was much more certainty about the merger with Goodyear moving forward in the near future.

12. Shortly after the February 16, 2021 videoconference ended, Yuan purchased 4,900 shares of Cooper at \$42.08 and 100 shares of Cooper at \$42.06.

13. Before the market opened on February 22, 2021, Cooper and Goodyear publicly announced the acquisition of Cooper by Goodyear. Following the announcement, the price of Cooper stock increased by approximately 29%.

14. After trading commenced on February 22, 2021, Yuan sold 4,500 of his Cooper shares at \$55 per share and then sold the remaining 500 shares on February 26, 2021 at \$57 per share. As a result, Yuan obtained ill-gotten gains of \$65,602.

15. Each time Yuan purchased the Cooper stock, he knew, consciously avoided knowing, or was reckless in not knowing that the information concerning Goodyear’s acquisition that Cooper’s CEO shared with Yuan while he acted as the Family Member’s interpreter on the videoconferences was material and nonpublic.

16. Each time he purchased the Cooper stock, Yuan knew, consciously avoided knowing, or was reckless in not knowing that Cooper’s CEO and the Family Member would have expected him to maintain the confidentiality of the information concerning Goodyear’s acquisition of Cooper and not trade on that information. Yuan accepted this duty of trust and confidence when he joined the teleconferences as the Family Member’s translator. Yuan knew, consciously avoided

knowing, or was reckless in not knowing that trading based on the information was a breach of his duty of trust or confidentiality.

17. As a result of the conduct described above, Yuan violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, which prohibit fraudulent conduct in connection with the purchase or sale of securities.

Disgorgement

The disgorgement and prejudgment interest ordered in paragraph IV.B is consistent with equitable principles, does not exceed Respondent's net profits from his violations, and returning the money to Respondent would be inconsistent with equitable principles. Therefore, in these circumstances, distributing disgorged funds to the U.S. Treasury is the most equitable alternative. The disgorgement and prejudgment interest ordered in paragraph IV.B shall be transferred to the general fund of the U.S. Treasury, subject to Section 21F(g)(3) of the Exchange Act.

IV.

In view of the foregoing, the Commission deems it appropriate to impose the sanctions agreed to in Respondent Yuan's Offer.

Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 21C of the Exchange Act, Respondent Yuan cease and desist from committing or causing any violations and any future violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

B. Yuan shall, within 10 days of the entry of this Order, pay disgorgement of \$65,602, prejudgment interest of \$15,678, and a civil money penalty of \$65,602 to the Securities and Exchange Commission for transfer to the general fund of the United States Treasury, subject to Exchange Act Section 21F(g)(3). If timely payment of disgorgement and prejudgment interest is not made, additional interest shall accrue pursuant to SEC Rule of Practice 600. If timely payment of the civil money penalty is not made, additional interest shall accrue pursuant to 31 U.S.C. § 3717.

Payment must be made in one of the following ways:

- (1) Respondent may transmit payment electronically to the Commission, which will provide detailed ACH transfer/Fedwire instructions upon request;
- (2) Respondent may make direct payment from a bank account via Pay.gov through the SEC website at <http://www.sec.gov/about/offices/ofm.htm>; or

- (3) Respondent may pay by certified check, bank cashier's check, or United States postal money order, made payable to the Securities and Exchange Commission and hand-delivered or mailed to:

Enterprise Services Center
Accounts Receivable Branch
HQ Bldg., Room 181, AMZ-341
6500 South MacArthur Boulevard
Oklahoma City, OK 73169

Payments by check or money order must be accompanied by a cover letter identifying Song Yuan as the Respondent in these proceedings, and the file number of these proceedings; a copy of the cover letter and check or money order must be sent to Stacy Bogert, Division of Enforcement, Securities and Exchange Commission, 100 F St., NE, Washington, DC 20549.

C. Amounts ordered to be paid as civil money penalties pursuant to this Order shall be treated as penalties paid to the government for all purposes, including all tax purposes. To preserve the deterrent effect of the civil penalty, Respondent agrees that in any Related Investor Action, he shall not argue that he is entitled to, nor shall he benefit by, offset or reduction of any award of compensatory damages by the amount of any part of Respondent's payment of a civil penalty in this action ("Penalty Offset"). If the court in any Related Investor Action grants such a Penalty Offset, Respondent agrees that he shall, within 30 days after entry of a final order granting the Penalty Offset, notify the Commission's counsel in this action and pay the amount of the Penalty Offset to the Securities and Exchange Commission. Such a payment shall not be deemed an additional civil penalty and shall not be deemed to change the amount of the civil penalty imposed in this proceeding. For purposes of this paragraph, a "Related Investor Action" means a private damages action brought against Respondent by or on behalf of one or more investors based on substantially the same facts as alleged in the Order instituted by the Commission in this proceeding.

V.

It is further Ordered that, solely for purposes of exceptions to discharge set forth in Section 523 of the Bankruptcy Code, 11 U.S.C. §523, the findings in this Order are true and admitted by

Respondent, and further, any debt for disgorgement, prejudgment interest, civil penalty or other amounts due by Respondent under this Order or any other judgment, order, consent order, decree or settlement agreement entered in connection with this proceeding, is a debt for the violation by Respondent of the federal securities laws or any regulation or order issued under such laws, as set forth in Section 523(a)(19) of the Bankruptcy Code, 11 U.S.C. §523(a)(19).

By the Commission.

Vanessa A. Countryman
Secretary