

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 104843 / February 13, 2026

ADMINISTRATIVE PROCEEDING
File No. 3-22594

In the Matter of

MARTIN TUNCAYDIN,

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 and in the public interest that cease-and-desist proceedings be, and hereby are, instituted pursuant to Section 21C of the Securities Exchange Act of 1934 (“Exchange Act”), against Martin Tuncaydin (“Tuncaydin” 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

1. This matter involves insider trading by Tuncaydin while he was employed by SmileDirectClub, Inc. ("SmileDirect") as a Senior Vice President. On September 27, 2023, Tuncaydin sold SmileDirect securities based on material nonpublic information that SmileDirect was likely filing for bankruptcy. Following SmileDirect's bankruptcy filing on September 29, SmileDirect's share price decreased by approximately 61.45%. By selling shares in advance of the bankruptcy announcement, Tuncaydin avoided losses of approximately \$27,216.98. Tuncaydin's conduct violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

Respondent

2. Tuncaydin, age 40, is a resident of Brentwood, Tennessee. Tuncaydin was employed at SmileDirectClub from September 2018 through December 2023 and served as the Company's Senior Vice President of Customer Fulfillment & Platform Engineering from May 2022 through December 2023.

Relevant Entity

3. SmileDirectClub, Inc. is a Delaware corporation with its principal place of business in Nashville, Tennessee. SmileDirect's common stock was registered with the Commission under Section 12(b) of the Exchange Act and traded on NASDAQ under the stock symbol "SDC." It currently trades on the OTC Market Group Expert Market under the stock symbol "SDCCQ." SmileDirect initiated Chapter 11 bankruptcy proceedings in the United States Bankruptcy Court for the Southern District of Texas on September 29, 2023. The Company ceased operations on December 7, 2023, and the bankruptcy court converted the proceedings to Chapter 7 on January 26, 2024. Bankruptcy proceedings are ongoing.

Facts

4. Tuncaydin began working for SmileDirect in September 2018 as the Director of Application Development. In September 2023, he was working as SmileDirect's Senior Vice President of Customer Fulfillment & Platform Engineering.

5. As a SmileDirect employee, Tuncaydin was subject to the Company's insider trading policy, which required SmileDirect employees to only trade SmileDirect securities during open trading windows communicated by the Company. Tuncaydin was also subject to SmileDirect's Code of Business Conduct and Ethics which prohibited using non-public information about the Company for purposes of trading in SmileDirect securities.

6. SmileDirect closed the trading window for its securities the evening of September 14, 2023, and it remained closed through October 3, 2023.

7. On September 26, 2023, Tuncaydin learned from a conversation with his supervisor that the Company would likely be filing for bankruptcy. This information was not available to the public prior to the Company announcing its bankruptcy filing on September 29, 2023.

8. On the morning of September 27, 2023, Tuncaydin sold 101,216 shares of SDC common stock in a brokerage account under his control for \$0.43 per share.

9. After the market closed on September 29, 2023, SmileDirect instituted bankruptcy proceedings. Following the bankruptcy filing, the price of SDC common stock decreased from \$0.415 per share to \$0.16 per share by the close of business on October 2, 2023, a 61.45% decrease.

10. Through his trading, Tuncaydin avoided losses of approximately \$27,216.98, based on the October 2, 2023 closing price of \$0.16 per share.

11. Tuncaydin knew, or was reckless in not knowing, that the information he possessed concerning SmileDirect's likely bankruptcy as of the date of his trading in September 2023 was material and nonpublic. Tuncaydin also knew, or was reckless in not knowing, that by trading based on confidential information that he learned during the course of his employment, he breached the duty of trust and confidence owed to SmileDirect shareholders.

Violations

12. As a result of the conduct described above, Tuncaydin 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 and Civil Penalties

13. The disgorgement and prejudgment interest ordered in paragraph IV.C. 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.C. 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 and in the public interest to impose the sanctions agreed to in Respondent Tuncaydin's Offer.

Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 21C of the Exchange Act, Respondent Tuncaydin 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. Tuncaydin be, and hereby is, barred from acting as an officer or director of any issuer that has a class of securities registered pursuant to Section 12 of the Exchange Act [15 U.S.C. § 78l] for a period of five years from entry of this Order.

C. Respondent shall, within 10 days of the entry of this Order, pay disgorgement of \$27,216.98, prejudgment interest of \$4,809.10, and a civil money penalty in the amount of \$27,216.98 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.

D. 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 Martin Tuncaydin as a 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 Associate Director Justin Jeffries, Division of Enforcement, Securities and Exchange Commission, 950 East Paces Ferry Rd. NE, Suite 900, Atlanta, GA 30326.

E. 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