

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

-against-

PAUL W. JORGENSEN,

Defendant.

COMPLAINT

26-cv-02115

COMPLAINT

Plaintiff Securities and Exchange Commission (the “Commission”) for its Complaint against Defendant Paul W. Jorgensen (“Jorgensen” or “Defendant”) alleges as follows:

SUMMARY

1. This case concerns insider trading by Jorgensen in the securities of Doximity, Inc. (“Doximity” or “the Company”), a digital platform provider for U.S. medical professionals. Jorgensen is Doximity’s former Chief Revenue Officer (“CRO”). In breach of his duty to the Company, Jorgensen traded on the basis of material nonpublic information ahead of the Company’s negative earnings calls in August 2022, while the CRO, and again in August 2023, days after being terminated from Doximity. Jorgensen’s unlawful trading resulted in aggregate profits and losses avoided of approximately \$2,532,775.

2. Specifically, on August 1, 2022, Jorgensen, while Doximity’s CRO, sold 61,162 shares of Doximity stock, ahead of a quarterly earnings call, based on material nonpublic information concerning the Company’s lower-than-expected sales, in breach of his duty to the Company.

3. On August 4, 2022, after the close of the market, the Company publicly announced its quarterly earnings results, including the negative sales information. The following trading day, Doximity's stock price declined over seven percent. By selling Doximity shares ahead of the August 2022 earnings announcement, Jorgensen avoided trading losses of approximately \$318,196. Jorgensen, an officer of the Company at the time, failed to file required reports with the Commission publicly disclosing these sales of Doximity stock.

4. One year later, on August 3, 2023, days after being terminated from Doximity, and before the Company's upcoming earnings call, Jorgensen again traded Doximity securities based on material nonpublic information, in breach of his duty to the Company. In this instance, Jorgensen had material nonpublic information concerning lower-than-expected sales, the underperformance of the sales team, and a resulting planned reduction in force ("RIF").

5. With this information, Jorgensen sold 15,000 shares of Doximity stock on August 3, 2023, and he also purchased 3,700 Doximity put option contracts with August 18, 2023 expiration dates. These were particularly "bearish" options trades that reflected Jorgensen anticipating a significant and near-term decline in the underlying price of Doximity stock. All of these option contracts were "out of the money," meaning that, at the time of purchase, the strike prices (i.e., the predetermined price at which the option holders can sell their Doximity stock) were below the market price of Doximity stock. These option contracts would only be profitable to exercise if the market price of Doximity stock fell below the strike price prior to the August 18, 2023 expiration date. On August 7, 2023, Jorgensen executed additional "bearish" Doximity options trades—both selling call options and buying put options.

6. On August 8, 2023, after the close of the market, the Company announced its quarterly earnings results, including the decline in sales and the resulting planned RIF. The

following day, Doximity stock declined approximately 23 percent. By selling Doximity shares and trading Doximity options prior to the August 2023 earnings call, Jorgensen avoided trading losses, and made significant trading profits, totaling approximately \$2,214,579 in ill-gotten gains.

NATURE OF THE PROCEEDINGS AND RELIEF SOUGHT

7. The Commission seeks a permanent injunction against Jorgensen, enjoining him from engaging in the transactions, acts, practices, and courses of business of the type alleged in this Complaint, disgorgement of ill-gotten gains he received from the unlawful conduct set forth in this Complaint, together with prejudgment interest, pursuant to Sections 21(d)(3), (5), and (7) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. §§ 78u(d)(3), (5), and (7)], civil penalties pursuant to Sections 21A and 21(d)(3) of the Exchange Act [15 U.S.C. §§ 78u-1 and 78u(d)(3)], an officer and director bar pursuant to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)], and such other relief as the Court may deem just and proper.

JURISDICTION AND VENUE

8. This Court has jurisdiction over this action pursuant to Sections 21(d), 21(e), 21A, and 27 of the Exchange Act [15 U.S.C. §§ 78u(d)(1), 78u(e), 78u-1, and 78aa]. In connection with the conduct described in this Complaint, Jorgensen directly or indirectly made use of a means or instrumentality of interstate commerce, or of the mails, or of any facility of any national securities exchange.

9. Venue is proper in this District under Exchange Act Section 27(a) [15 U.S.C. § 78aa(a)]. Certain of the acts, practices, transactions, and courses of business alleged in this Complaint occurred within this District, including that at all relevant times Jorgensen traded

through a brokerage firm with offices in this District, and Doximity shares traded on the New York Stock Exchange, which is located in this District.

COMMONLY-USED TRADING TERMS

10. A “put option” is a type of contract that gives the owner the right, but not the obligation, to sell 100 shares of an underlying security at a specified price within a specified time. The “strike price” of a put option is the price per share at which the option owner can sell the underlying securities if the owner chooses to exercise the option. The “expiration date” of a put option is the last day that an option contract is valid. If the option owner chooses not to exercise the option (in other words, not sell the 100 shares of the underlying stock), the option expires and becomes worthless, and the owner loses the money the buyer paid to purchase the option. A put option becomes more valuable as the price of the underlying security decreases relative to the strike price. Therefore, a buyer of a put option is betting that the price of the underlying security will decline.

11. If, at the time of purchase, the strike price of a put option is below the price at which the underlying security is then trading, the put option is “out-of-the-money” because it would be unprofitable to exercise the put option and sell the underlying security at the strike price rather than to sell the security directly at the prevailing market price. Conversely, if at the time of purchase, the strike price is above the then-current trading price, the put option is considered “in-the-money.”

12. A “call option” is a type of contract that gives the owner the right, but not the obligation, to buy 100 shares of the underlying security at a specified price within a specified time. The “strike price” of a call option is the price per share at which the option owner can buy the underlying security if the owner chooses to exercise the option. The “expiration date” of a

call option is the last day that an option contract is valid. If the option owner chooses not to exercise the option (in other words, not to buy 100 shares of the underlying stock), the option expires and becomes worthless, and the owner loses the money the owner paid to buy the option. A call option becomes more valuable as the price of the underlying security rises relative to the strike price. Therefore, a buyer of a call option is betting that the price of the underlying security will rise. By contrast, the seller of a call option—who receives a premium payment from the buyer of the call option—is betting that the price of the underlying security will decline.

13. If the strike price of a call option is below the price at which the stock is trading, the call option is considered “in-the-money” because the exercise of the option would allow the option owner to make a profit by purchasing the stock at the strike price and selling it for a higher price. If the strike price is above the price at which the stock is trading, the call option is “out-of-the money” because the exercise of the option to purchase the stock at the strike price and immediate sale of the stock at a lower price would result in a trading loss. For a given expiration month, “out-of-the-money” call options are cheaper to buy than those that are “in-the-money.”

DEFENDANT

14. Paul W. Jorgensen, age 55, is a resident of Charlotte, North Carolina. Jorgensen was a senior executive at Doximity from about August 15, 2017, through about July 31, 2023, including as Senior Vice President, Hospital Solutions from about August 2017 through about February 2022, and as Doximity’s CRO from about February 9, 2022, until his last day at Doximity on July 31, 2023. Jorgensen has never been registered with the Commission in any capacity.

RELEVANT ENTITY

15. Doximity, Inc. is a digital platform provider for U.S. medical professionals. Doximity is incorporated in Delaware and headquartered in San Francisco, California. The Company's common stock is registered with the Commission pursuant to Section 12(b) of the Exchange Act, and its common stock is listed and trades on the New York Stock Exchange under the ticker symbol "DOCS."

FACTS

Doximity's Business and Key Source of Revenue

16. At all relevant times, Doximity operated an online platform for medical professionals in the United States. Doximity provides its members with digital tools that allow them to, among other things, collaborate with colleagues, conduct virtual patient visits, and interact with Doximity's *Newsfeed*—a feature that delivers curated medical news and research. Doximity has claimed that over 80% of all U.S. physicians are active members of its platform.

17. Doximity's primary revenue stream involves charging pharmaceutical companies and medical device manufacturers subscription fees to use its platform for targeted marketing campaigns promoting their products and services to relevant healthcare professionals. Many large pharmaceutical and medical device companies sign annual contracts with Doximity between October and December of each year. This is known at the Company as the "upfront season."

18. To drive revenue growth, Doximity relied heavily on selling pharmaceutical and medical device company clients additional marketing and advertising solutions throughout the year, which the Company referred to as "upsells." Upsells impact future revenue and earnings for the Company. For example, during the Company's August 4, 2022 quarterly earnings call, Doximity's Chief Executive Officer ("CEO") emphasized the importance of upselling and

explained that upsells among pharmaceutical clients historically had accounted for 10 to 15 percent of the Company's annual revenue.

Jorgensen's Employment at Doximity

19. Jorgensen joined Doximity in 2017 as Senior Vice President of its Hospital Solutions business unit after working as an executive at another public company in the healthcare sector. Jorgensen remained in that role through Doximity's initial public offering ("IPO") in June 2021 until February 9, 2022, when Doximity named Jorgensen its CRO.

20. As CRO, Jorgensen's responsibilities increased, and his central focus was on expanding Doximity's client base and cultivating business with existing clients. Jorgensen reported directly to Doximity's CEO. On March 22, 2022, Doximity's Board of Directors designated Jorgensen as a "Section 16" officer, which is a reference to a securities law that required Jorgensen to publicly file with the Commission Forms 4 and 5 reporting his transactions in Doximity stock. Jorgensen remained a Section 16 officer through about early May 2023.

21. During his tenure as CRO, the largest Doximity business unit Jorgensen oversaw failed to meet its sales goals and quotas, which the Company attributed to a decline in upsells to existing customers. By at least July 2022, Doximity rehired its former Chief Commercial Officer and changed Jorgensen's role at the Company. That transition became effective on or about July 31, 2022, days before the Company announced its disappointing earnings results for the first quarter of fiscal year 2023.

22. After Doximity changed Jorgensen's responsibilities, the Company initially tasked him with identifying new accounts and later, in February 2023, with managing Curative, Doximity's subsidiary focused on healthcare recruiting and staffing. Jorgensen continued to report directly to Doximity's CEO in these roles. Doximity permitted Jorgensen to retain the CRO title to facilitate Jorgensen's new responsibilities.

23. By at least early July 2023, Doximity determined that Jorgensen was underperforming in his new role with Curative, and the Company terminated his employment in August 2023.

Jorgensen Received Policies, Procedures, and Trainings Regarding Doximity's Prohibition Against Insider Trading and His Obligations as a Section 16 Officer

24. At all times during his employment at Doximity, Jorgensen was required to comply with the Company's Insider Trading Policy.

25. Doximity promulgated two substantially similar versions of its Insider Trading Policy during Jorgensen's tenure with the Company. Doximity initially issued an Insider Trading Policy in June 2021 in conjunction with its IPO. The Company issued a second version of its Insider Trading Policy in May 2023.

26. Doximity's Insider Trading Policies specifically applied to "Insiders," that is, "the Company's directors, officers, employees and consultants." Jorgensen was a Doximity Insider.

27. Both versions of Doximity's Insider Trading Policy made clear that "[i]t is generally illegal for [Insiders] to trade in the securities of the Company, whether for your account or the account of another . . ." when Insiders were "in possession of material, nonpublic information about the Company, whether positive or negative."

28. Doximity's Insider Trading Policy also imposed other trading restrictions. With limited exceptions, Insiders were prohibited from trading outside of four quarterly trading windows following the Company's earnings releases. Insiders were also prohibited from buying or selling "puts, calls, or other derivative securities" of Doximity or engaging "in any other hedging transaction with respect to the Company's securities, at any time."

29. In addition, Doximity's Insider Trading Policy required Section 16 officers to pre-clear all trading in Doximity securities with the Company's General Counsel, who serves as the Company's Compliance Officer.

30. Insiders who left Doximity remained subject to its Insider Trading Policy until the later of: "(1) the second trading day following the public release of earnings for the fiscal quarter in which you leave the Company or (2) the second trading day after any material nonpublic information known to you has become public or is no longer material."

31. To help ensure compliance with Doximity's insider trading policies, Doximity established employee brokerage accounts at E*TRADE in June 2021, where employee stock grants are deposited. Doximity requires that each employee hold their Doximity shares in one of these E*TRADE accounts. Through these accounts, Doximity can monitor and limit employee trading of Doximity shares, including restricting sales to trading windows following the Company's quarterly earnings announcements.

32. The Company also hosted a training entitled "Working at a Public Company & What Does it Mean for Me?" in advance of Doximity's IPO in June 2021. The training covered, among other topics, insider trading and the prohibited use of confidential and material nonpublic information. Doximity required all employees, including Jorgensen, to attend one of four sessions at which the training was offered live.

33. Jorgensen also received additional training specific to Section 16 officers on February 14, 2022. In a presentation titled "Named Executive Officers and Section 16 What Does it All Mean?," Doximity's General Counsel led Jorgensen through a training that addressed the prohibition on insider trading and the requirement that Section 16 officers file a Form 4 with

the SEC reporting changes in beneficial ownership of their Doximity shares—such as through purchases, sales, or gifts—within two business days.

34. From March 22, 2022, when he was designated a Section 16 officer, through about early May 2023, when Doximity removed that designation, Jorgensen was subject to the provisions of Doximity’s Insider Trading Policy requiring “all Section 16 officers” to report their trading to Doximity’s General Counsel “on the same day in which such a transaction occurs.” Doximity’s training for Section 16 officers explained that this reporting requirement facilitated Doximity’s timely preparation and filing of its employees’ Forms 4 with the Commission.

Jorgensen Sold Doximity Shares on the Basis of Material Nonpublic Information Before Doximity’s First Quarter of Fiscal Year 2023 Earnings Release

35. Doximity’s 2023 fiscal year ran from April 1, 2022 to March 31, 2023.

36. As CRO, Jorgensen knew that Doximity was falling short of its advertising sales targets as the first quarter of fiscal year 2023 (running from April 1, 2022, to June 30, 2022) was ending.

37. On June 20, 2022, Jorgensen messaged a Doximity sales executive, Individual A, stating that the first quarter of 2023 “is the worst quarter in the history of Doximity.”

38. Three days later, on June 23, 2022, Jorgensen and Individual A exchanged additional messages regarding the sales team’s poor performance. Individual A stated that he had “[n]ever been 55 percent to a goal in my career,” and Jorgensen responded, “[m]e neither,” and added “[i]n 23 years of quota ownership my lowest ever quarter was 84%.”

39. On July 28, 2022, Jorgensen attended and presented at a portion of a Doximity Board of Directors meeting. During the portion of the meeting Jorgensen attended, participants discussed the Company’s quarterly earnings results and the significant decline in upsells. The

slide deck used for the meeting noted that Doximity was off to a “terrible start” to its fiscal year, and that the bookings for the first quarter were down six percent year-over-year.

40. Two days later, on or about Sunday, July 31, 2022, Doximity’s CEO informed Jorgensen that he was being transitioned to a different role.

41. The next day, on Monday, August 1, 2022, in breach of his duty to the Company and its shareholders, Jorgensen sold 61,162 shares of Doximity for an average price of approximately \$42.51 per share. Jorgensen sold these shares from a personal brokerage account outside of his Company E*TRADE account.

42. These stock sales occurred outside of the Company’s trading window for Insiders, when Jorgensen and other Insiders were not permitted, pursuant to Company policy, to trade Doximity stock. Additionally, Jorgensen did not pre-clear his Doximity stock sales and did not report this trading to Doximity’s General Counsel, as required by Company policy.

43. Jorgensen sold shares of Doximity, as alleged above, on the basis of material nonpublic information that upsells to Doximity customers had declined significantly in the first quarter of fiscal year 2023, which led to lower-than-expected sales and underperformance by the sales team.

44. This information was material because there was a substantial likelihood a reasonable investor would consider this information important in deciding whether to purchase or sell shares of Doximity stock.

45. This information was also nonpublic prior to the Company’s August 4, 2022, quarterly earnings call.

46. Jorgensen knew or was reckless in not knowing that the information he possessed about lower-than-expected sales and underperformance by the sales team was material and nonpublic.

47. Jorgensen knew or was reckless in not knowing that, by trading on Doximity's confidential information, as alleged above, he was breaching Doximity's policies and his fiduciary duty or similar obligation arising from a relationship of trust and confidence to Doximity.

48. On August 4, 2022, after the close of the market, Doximity released its first quarter of fiscal year 2023 financial results.

49. While revenue increased 25 percent year-over-year during the quarter, Doximity's CEO reported during the earnings call the "not so good news" that the "historically stable upsell rate among . . . pharmaceutical clients, which accounts for 10 percent to 15 percent of [Doximity's] annual revenue, . . . slowed year-to-date." Doximity's CEO explained that the "upsells boost the results of [Doximity's] base subscription programs," and that as a "result of this upsell slowdown," Doximity was lowering both its annual revenue and EBITDA guidance by six percent. Lowering the annual revenue and EBITDA guidance signaled to the market that the Company anticipated weaker-than-expected sales and profits for the remaining part of the fiscal year.

50. The next day, following Doximity's earnings call, Doximity's stock price declined over seven percent and closed at \$37.31 per share.

51. Jorgensen avoided losses of approximately \$318,196 by selling Doximity shares ahead of the Company's negative earnings call on August 4, 2022.

Jorgensen Traded Doximity Securities on the Basis of Material Nonpublic Information Five Days Before Doximity's First Quarter of Fiscal Year 2024 Earnings Release

52. Although Doximity changed Jorgensen's job responsibilities in 2022, Jorgensen continued to have access to Doximity's customer relationship management system that tracked sales numbers, continued to be included in executive-level sales meetings, and continued to receive internal email communications containing confidential financial information.

53. For example, on July 3, 2023 (three days after the close of the Company's first quarter of fiscal year 2024), Jorgensen received an email update on the first quarter "bookings," including information about the underperformance of the sales team and specifically the Pharmaceutical business unit. The update highlighted that the Company's overall "Q1 bookings were \$49.2M (83% to plan)," which represented a "0% increase from the same quarter a year ago." The update also highlighted that Doximity's Pharmaceutical business unit earned \$26.7 million in the first quarter of fiscal year 2024, which was only "71% to plan and -11% decline over the same quarter last year."

54. Ten days later, on or about July 13, 2023, Doximity's CEO informed Jorgensen that Doximity was terminating his employment, with the effective date to be determined at a later date.

55. Following this notice, Jorgensen continued to receive confidential, nonpublic information about the Company's disappointing sales performance. For example, on July 18, 2023, Jorgensen and other executives received an "internal recap" letter from Doximity's Chief Financial Officer noting that "Q1 was below expectations," and that "it has become clear that we need to be better at 'upselling'." The recap explained that while Doximity experienced strong growth in the third quarter of 2023, during the six months since, Doximity had "been losing year on year compared with the same period a year ago."

56. Additionally, in a July 21, 2023, email exchange regarding Jorgensen's severance package, Doximity's CEO informed Jorgensen that his termination was part of a broader RIF of approximately 100 employees at the Company, which accounted for approximately 10 percent of Doximity's workforce.

57. Jorgensen knew that Doximity's sales team underperformed during the first quarter of fiscal year 2024, which spanned April 2023 through June 2023.

58. Jorgensen's last day at Doximity was July 31, 2023, but his departure was not announced until the Company announced the broader RIF on August 8, 2023. Jorgensen retained access to Doximity systems until August 8, 2023, including his Company laptop, email, and Slack.

59. From August 3 through August 7, 2023, in breach of his duty to Doximity and its shareholders, Jorgensen traded on the basis of material nonpublic information concerning the underperformance of Doximity's sales team.

60. Specifically, on August 3, 2023, Jorgensen sold 15,000 Doximity shares at a price of \$32.90 per share for proceeds of approximately \$493,582.

61. That same day, Jorgensen also purchased 3,700 "out-of-the-money" Doximity put option contracts. Specifically, Jorgensen purchased 1,500 Doximity put option contracts with a strike price of \$27.50, at a cost of \$87,000; 1,200 Doximity put option contracts with a strike price of \$32.50, at a cost of \$252,000; and 1,000 Doximity put option contracts with a strike price of \$30, at a cost of \$110,000. That day, the market price of Doximity shares closed at \$33.24. All of the option contracts Jorgensen purchased had an expiration date just two weeks away—August 18, 2023.

62. On August 7, 2023, one day before Doximity announced its earnings, Jorgensen placed additional bearish Doximity options trades. Jorgensen used two separate personal brokerage accounts for these trades.

63. In one account, Jorgensen sold 1,300 Doximity call option contracts with a strike price of \$35, and an expiration date of August 18, 2023. Jorgensen received \$211,907 in proceeds from the sales of these call option contracts.

64. In another account, Jorgensen purchased 1,000 Doximity put option contracts with a strike price of \$35, at a cost of \$524,000. These put option contracts had February 16, 2024 expiration dates.

65. Although Jorgensen stopped working at Doximity on July 31, 2023, he remained subject to the Insider Trading Policy at the time of these trades.

66. On August 8, 2023, after the close of the market, Doximity released its financial results for the first quarter of fiscal year 2024. As a result of underperformance by the sales team, the Company lowered its revenue and EBITDA guidance for both the second quarter and the fiscal year of 2024. On the Company's earnings call, Doximity's CEO explained that the Company's upsells fell short in June and July of 2023. The CEO attributed the shortfall to pharmaceutical customers' slowed transition to digital marketing and poor summer upsells due to remote clients' unwillingness to engage directly with Doximity's sales force.

67. Due to these challenges, the CEO also announced a restructuring plan and RIF to reduce Doximity's current workforce by 10 percent, mainly in the operations and client services teams.

68. As a result of this negative news, the next day, August 9, 2023, the market price of Doximity stock dropped approximately 23 percent, closing at \$25.30 per share.

69. That same day, Jorgensen sold the put option contracts he had purchased on August 3, 2023, realizing profits of approximately \$1,264,090. Specifically, Jorgensen sold: 1,200 Doximity put option contracts with a strike price of \$32.50, for \$928,800 in proceeds and approximately \$676,800 in profits; 1,000 put option contracts with a strike price of \$30, for \$481,790 in proceeds and approximately \$371,790 in profits; and 1,500 put option contracts with a strike price of \$27.50, for \$302,500 in proceeds and approximately \$215,500 in profits.

70. On August 14, 2023, Jorgensen also sold 500 of the Doximity put option contracts he purchased on August 7, 2023 with a strike price of \$35 and expiration date of February 16, 2024, for \$577,500 in proceeds. On October 23, 2023, Jorgensen sold the remaining 500 Doximity put option contracts he had purchased on August 7, 2023, for proceeds of \$625,000. Jorgensen's profits from his August 7, 2023 options trades, including proceeds received from the sale of call option contracts, totaled \$836,407.

71. Jorgensen's profits and losses avoided from all his above-referenced insider trading in Doximity securities in August 2023 totaled approximately \$2,214,579.

72. Jorgensen traded the Doximity securities, as alleged above, on the basis of material nonpublic information regarding lower-than-expected sales and the underperformance of Doximity's sales team, including the Pharmaceutical business unit, and the planned RIF. Information about lower-than-expected sales, the underperformance of Doximity's sales team, and the planned RIF were material because there was a substantial likelihood a reasonable investor would consider the information important in deciding whether to purchase or sell Doximity securities.

73. The lower-than-expected sales, underperformance of Doximity's sales team, and the planned RIF were nonpublic prior to August 8, 2023.

74. Jorgensen knew or was reckless in not knowing that the information he possessed about the lower-than-expected sales, underperformance of Doximity's sales team, and the planned RIF was material and nonpublic.

75. Jorgensen knew or was reckless in not knowing that, by trading on Doximity's confidential information, as alleged above, he was breaching Doximity's policies and his fiduciary duty or similar obligation arising from a relationship of trust and confidence to Doximity.

Jorgensen Failed to File Required Forms in Connection with His Doximity Stock Sales

76. From about March 22, 2022, through early May 2023, Jorgensen was a Section 16 officer of Doximity, which had stock registered under Section 12 of the Exchange Act. As such, Jorgensen was required to report to the Commission changes in beneficial ownership of his Doximity shares, such as through purchases, sales, or gifts, within two business days, in a Form 4, and within 45 days of the end of Doximity's fiscal years in a Form 5, unless the transactions were previously reported.

77. The purpose of Forms 4 and 5 is to provide the investing public with reliable information about company insiders' various transactions in company securities, including the date of such transactions, the amount of securities purchased or sold, and the price per share.

78. Specifically, Jorgensen failed to file Forms 4 or 5 to disclose his sale of 61,162 shares of Doximity stock on or about August 1, 2022.

FIRST CLAIM FOR RELIEF

Violations of Exchange Act Section 10(b) and Rule 10b-5 Thereunder

79. The Commission re-alleges and incorporates by reference here the allegations in paragraphs 1 through 78 above.

80. The Defendant, directly or indirectly, singly or in concert, in connection with the purchase or sale of securities and by the use of means or instrumentalities of interstate commerce, or the mails, or the facilities of a national securities exchange, knowingly or recklessly have (i) employed one or more devices, schemes, or artifices to defraud, (ii) made one or more untrue statements of a material fact or omitted to state one or more material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading, and/or (iii) engaged in one or more acts, practices, or courses of business which operated or would operate as a fraud or deceit upon other persons.

81. By reason of the foregoing, Defendant, directly or indirectly, singly or in concert, has violated and, unless enjoined, will again violate Exchange Act Section 10(b) [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

SECOND CLAIM FOR RELIEF

Violations of Exchange Act Section 16(a) and Rule 16a-3 Thereunder

82. The Commission re-alleges and incorporates by reference each and every allegation contained in the paragraphs 33 and 34 and 76 to 78 above.

83. Jorgensen, as an officer or director of an issuer with a class of equity securities registered pursuant to Exchange Act Section 12 [15 U.S.C. § 78l], failed to timely and accurately file Forms 4 and Forms 5 with the Commission containing the information required therein.

By reason of the foregoing, Jorgensen violated and, unless enjoined, will again violate Exchange Act Section 16(a) [15 U.S.C. § 78p(a)] and Rule 16a-3 [17 C.F.R. § 240.16a-3] thereunder.

PRAYER FOR RELIEF

WHEREFORE, the Commission respectfully requests that this Court enter a Final Judgment:

I.

Permanently restraining and enjoining Defendant and his officers, agents, servants, employees, attorneys, and all persons in active concert or participation with Defendant from violating, directly or indirectly, Exchange Act Sections 10(b) and 16(a) [15 U.S.C. §§ 78j(b), 78p(a)] and Rules 10b-5 and 16a-3 thereunder [17 C.F.R. §§ 240.10b-5; 240.16a-3];

II.

Ordering Defendant to disgorge all ill-gotten gains received directly or indirectly, with prejudgment interest thereon, as a result of the alleged violations, pursuant to Exchange Act Sections 21(d)(3), (5), (7) [15 U.S.C. §§ 78u(d)(3), (5), (7)];

III.

Ordering Defendant to pay civil monetary penalties under Sections 21A and 21(d)(3) of the Exchange Act [15 U.S.C. §§ 78u-1 and 78u(d)(3)];

IV.

Permanently prohibiting Defendant from serving as an officer or director of any company that has a class of securities registered under Exchange Act Section 12 [15 U.S.C. § 78l] or that is required to file reports under Exchange Act Section 15(d) [15 U.S.C. § 78o(d)], pursuant to Section 21(d)(2) of the Exchange Act [15 U.S.C. § 78u(d)(2)]; and

V.

Granting any other and further relief this Court may deem just and proper.

Dated: New York, New York

March 16, 2026

SECURITIES AND EXCHANGE
COMMISSION

/s/ Christopher J. Carney

Christopher J. Carney

Randall D. Friedland (*pro hac vice*
application to be submitted)

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