

**UNITED STATES OF AMERICA**  
**Before the**  
**SECURITIES AND EXCHANGE COMMISSION**

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 90016 / September 25, 2020**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-20083**

**In the Matter of**  
  
**RACHELLE A. THATCHER**  
  
**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 Rachele A. Thatcher (“Thatcher” 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 her 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<sup>1</sup> that:

1. This matter involves insider trading in the securities of Buckeye Partners, L.P. ("Buckeye") ahead of the May 10, 2019 public announcement that Buckeye had entered into a merger agreement with the IFM Global Infrastructure Fund, pursuant to which the fund would acquire all outstanding public common units of Buckeye for \$41.50 per unit. In advance of the announcement, Individual A, a manager at Buckeye, communicated nonpublic information concerning Buckeye's imminent acquisition to his relative, Rachelle A. Thatcher. Thatcher, in turn, purchased 1,381 units of Buckeye in three accounts she controlled. Following the public announcement, Buckeye's unit price increased by approximately 28 percent, yielding total profits of \$11,610 in the three accounts controlled by Thatcher. By engaging in this conduct, Thatcher violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

#### Respondent

2. **Rachelle A. Thatcher**, age 63, is a resident of Coplay, Pennsylvania.

#### Relevant Entities and Individuals

3. **Buckeye Partners, L.P.**, headquartered in Houston, Texas, was a publicly traded master limited partnership and one of the largest independent liquid petroleum products pipeline operators in the United States. Until the completion of its acquisition by the IFM Global Infrastructure Fund, the company's common units traded on the New York Stock Exchange under the ticker symbol "BPL."

4. **IFM Investors Pty Ltd** ("IFM") is an institutional funds manager based in Australia. As of March 31, 2019, it reported approximately \$90 billion under management. IFM is the principal advisor to the IFM Global Infrastructure Fund, a subsidiary of which acquired Buckeye.

5. **Individual A** is Thatcher's relative and a former manager at Buckeye.

#### Background

6. On the morning of May 10, 2019, following several months of negotiation, Buckeye's management and the board of directors of Buckeye's general partner approved an Agreement and Plan of Merger pursuant to which the IFM Global Infrastructure Fund would

---

<sup>1</sup> The findings herein are made pursuant to Respondent's Offer of Settlement and are not binding on any other person or entity in this or any other proceeding.

acquire Buckeye. Later that morning, before market open, Buckeye and IFM issued a joint press release announcing the transaction.

7. Following the May 10, 2019 announcement, Buckeye's units closed at a price of \$41.75 per unit, representing an increase of approximately 28 percent over the previous day's closing price of \$32.55 per unit.

8. Individual A, as a Buckeye manager, was aware of and subject to the company's insider trading policy. The policy prohibited employees in possession of material nonpublic information relating to Buckeye—including information relating to undisclosed mergers and acquisitions—from buying or selling securities of the company or from communicating such information to others.

9. On May 7, 2019, Individual A travelled to an offsite company conference, where he learned of Buckeye's impending acquisition from discussions with company senior managers possessing knowledge of the transaction. Individual A knew or was reckless in not knowing that information disclosed to him concerning the impending acquisition was material and nonpublic.

10. On the morning of May 9, 2019, during a telephone call, Individual A communicated material nonpublic information concerning Buckeye's acquisition to Thatcher, in knowing or reckless breach of his fiduciary or similar duty to Buckeye and its unitholders.

11. Individual A communicated the information concerning Buckeye's acquisition to Thatcher in an effort to benefit Thatcher, a relative with whom he shared a close, personal relationship.

12. Thatcher knew or was reckless in not knowing that the information Individual A had provided to her concerning Buckeye's acquisition was material, nonpublic, and disclosed in breach of a duty owed by Individual A to Buckeye and its unitholders in exchange for a personal benefit.

13. Nevertheless, on May 9, 2019, based on the material nonpublic information shared by Individual A, Thatcher purchased a total of 1,181 Buckeye units in two brokerage accounts she controls for an average price of \$33.38 per unit. Later that same day, she purchased an additional 200 Buckeye units, for the benefit of a third party, in a third account she controls for a price of \$33.42 per unit.

14. By making these purchases, Thatcher knowingly or recklessly breached the duty to Buckeye and its unitholders that she derived from Individual A.

15. On May 10, 2019, approximately one hour after the public announcement of Buckeye's planned acquisition, Thatcher sold all 1,381 Buckeye units for the three accounts she controls, for an average price of \$41.80 per unit, realizing a total of \$11,610 in profits.

## Violations

16. As a result of the conduct described above, Respondent 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.

### IV.

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

Accordingly, it is hereby ORDERED that:

A. Pursuant to Section 21C of the Exchange Act, Respondent Thatcher 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. Respondent Thatcher shall, within 10 days of the entry of this Order, pay disgorgement of \$9,941, prejudgment interest of \$303, and a civil penalty of \$11,610, totaling \$21,854, 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 a 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

C. Payments by check or money order must be accompanied by a cover letter identifying Rachelle A. Thatcher 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 Kelly L. Gibson, Regional Director, Philadelphia Regional Office, Division of Enforcement, Securities and Exchange Commission, 1617 JFK Blvd., Suite 520, Philadelphia, PA 19103.

**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