

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

**SECURITIES EXCHANGE ACT OF 1934**  
**Release No. 93617 / November 19, 2021**

**ADMINISTRATIVE PROCEEDING**  
**File No. 3-20657**

**In the Matter of**

**WILLIAM E. GERICKE, ESQ.,**

**Respondent.**

**ORDER INSTITUTING PUBLIC  
ADMINISTRATIVE AND CEASE-  
AND-DESIST PROCEEDINGS PURSUANT TO  
SECTIONS 4C AND 21C OF THE SECURITIES  
EXCHANGE ACT OF 1934 AND RULE 102(e)  
OF THE COMMISSION’S RULES OF  
PRACTICE, MAKING FINDINGS, AND  
IMPOSING REMEDIAL SANCTIONS AND A  
CEASE-AND-DESIST ORDER**

**I.**

The Securities and Exchange Commission (“Commission”) deems it appropriate that public administrative and cease-and-desist proceedings be, and hereby are, instituted against William E. Gericke (“Respondent” or “Gericke”) pursuant to Sections 4C<sup>1</sup> and 21C of the Securities Exchange Act of 1934 (“Exchange Act”) and Rule 102(e)(1)(iii) of the Commission’s Rules of Practice.<sup>2</sup>

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<sup>1</sup> Section 4C provides, in relevant part, that:

The Commission may censure any person, or deny, temporarily or permanently, to any person the privilege of appearing or practicing before the Commission in any way, if that person is found . . . (1) not to possess the requisite qualifications to represent others; (2) to be lacking in character or integrity, or to have engaged in unethical or improper professional conduct; or (3) to have willfully violated, or willfully aided and abetted the violation of, any provision of the securities laws or the rules and regulations issued thereunder.

<sup>2</sup> Rule 102(e)(1)(iii) provides, in pertinent part, that:

The Commission may . . . deny, temporarily or permanently, the privilege of appearing or practicing before it . . . to any person who is found . . . to have willfully violated, or willfully aided and abetted the violation of any provision of the Federal securities laws or the rules and regulations thereunder.

## 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 Public Administrative and Cease-and-Desist Proceedings Pursuant to Sections 4C and 21C of the Securities Exchange Act of 1934 and Rule 102(e) of the Commission’s Rules of Practice, Making Findings, and Imposing Remedial Sanctions and 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>3</sup> that:

### Summary

1. These proceedings arise out of insider trading by Respondent William Gericke, an attorney who purchased stock after he obtained material nonpublic information regarding an impending merger in connection with running a confidential conflicts check at his law firm. Gericke either knew or was reckless in not knowing that he obtained this information in confidence and he was not permitted to trade on it. By engaging in this conduct, Gericke violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

### Respondent

2. **William E. Gericke, Esq.** (“Gericke”), age 60, resides in West Chester, Pennsylvania. Gericke is an attorney licensed to practice law in Pennsylvania and New Jersey. From 1997 until August 2021, Gericke was employed by a large international law firm. Gericke is currently employed by a small law firm outside of Philadelphia.

### Other Relevant Entities

3. **Liberty Property Trust (“LPT”)**, a Maryland corporation headquartered in Wayne, Pennsylvania, was a real estate investment trust (“REIT”). Prior to its merger with Prologis, Inc., LPT’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 symbol “LPT.”

4. **Prologis, Inc. (“Prologis”)**, a Maryland corporation headquartered in San Francisco, California, is a REIT. Prologis’s common stock is registered with the Commission

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<sup>3</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.

pursuant to Section 12(b) of the Exchange Act and trades on the New York Stock Exchange under the symbol “PLD.”

### **Facts**

5. At all times relevant to these proceedings, Gericke was an attorney at a large international law firm, practicing primarily in the insurance subrogation area. Gericke was also the firm’s conflicts counsel, which required him to identify possible conflicts of interest between existing firm clients and potential new engagements.

6. On or before October 7, 2019, a partner at the law firm asked Gericke, in his capacity as conflicts counsel, to run a “confidential” conflicts check in which the partner informed Gericke of a potential merger involving the firm’s client, LPT, and Prologis. This information was material and nonpublic.

7. Gericke understood that the information about the potential merger was confidential. Gericke knew, or was reckless in not knowing, that he had a duty to maintain the confidentiality of the information and was not permitted to trade on it.

8. Nevertheless, the next day, and in advance of any public announcement of the merger, Gericke purchased 1,000 shares of LPT stock in his personal brokerage account. Gericke did not inform his law firm of his plans to purchase the stock.

9. On Sunday, October 27, 2019, Prologis publicly announced the definitive merger agreement with LPT. The following day, LPT’s stock price closed at \$57.50, an increase of 13.7% over the closing price the trading day immediately before the announcement. After Gericke learned of the announcement, Gericke sold his entire position in LPT on November 19, 2019, for a profit of \$10,002.20.

10. By purchasing LPT stock while in possession of confidential information regarding the impending merger, Gericke misappropriated material nonpublic information that he obtained in the course of his employment as an attorney, and breached a duty of trust and confidence he owed to his law firm and LPT.

### **Findings**

11. Based on the foregoing, the Commission finds that Gericke willfully violated Section 10(b) of the Exchange Act and Rule 10b-5 thereunder.

12. Based on the foregoing, the Commission finds that Gericke engaged in conduct within the meaning of Section 4C(a)(3) of the Exchange Act and Rule 102(e)(1)(iii) of the Commission’s Rules of Practice.

#### IV.

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

Accordingly, it is hereby ORDERED, effective immediately, that:

A. Respondent Gericke shall 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 Gericke is denied the privilege of appearing or practicing before the Commission as an attorney.

C. Respondent Gericke shall, within 10 days of the entry of this Order, pay a civil money penalty in the amount of \$20,004.40 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 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 William E. Gericke, Esq. 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 Melissa R. Hodgman, Associate Director, Division of Enforcement, Securities and Exchange Commission, 100 F St., NE, Washington, DC 20549.

D. 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