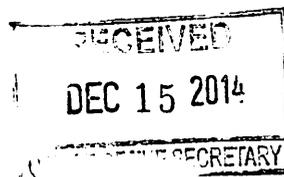


December 12, 2014

BY FEDERAL EXPRESS & EMAIL

Hon. Jason S. Patil  
Administrative Law Judge  
Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549  
alj@sec.gov



Re: *In the Matter of Gregory T. Bolan, Jr. and Joseph C. Ruggieri,*  
*AP File No. 3-16178*

Dear Judge Patil:

We represent Joseph Ruggieri in the above-referenced administrative proceeding. Pursuant to SEC Rule of Practice § 250, and in consultation with Respondent Gregory T. Bolan, Jr.'s counsel, we write on behalf of both Respondents to seek Your Honor's leave to file a motion for summary disposition of this matter. On December 10, 2014, the Second Circuit decided *United States v. Newman, et al.*, 2014 WL 6911278 (2d Cir. Dec. 10, 2014) (attached), which, among other things, clarified the personal benefit element of insider trading, as articulated in *Dirks v. SEC*, 463 U.S. 646 (1983). Because the OIP is facially deficient as to this element, we respectfully submit that it should be dismissed on summary disposition.

The Second Circuit in *Newman* confirmed that, in order to commit insider trading, a tippee must know that the tipper breached a fiduciary duty and did so for personal benefit. *Newman*, 2014 WL 6911278 at \*8. As for the personal benefit element required for both tipper and tippee liability, a court may not infer its existence from the mere "fact of a friendship" between the alleged tipper and tippee. *Id.* at \*10. Much more is required. The Commission must establish "proof of a meaningfully close personal relationship that generates an exchange that is objective, consequential, and represents at least a potential gain of a pecuniary or similarly valuable nature." *Id.* In short, there must be a *quid pro quo*. *Id.*

The Commission devotes only two paragraphs in the OIP to the purported benefit that Mr. Ruggieri provided to Mr. Bolan for the alleged tips. First, the Commission alleges "Bolan benefitted from his tipping of Ruggieri . . . by virtue of his friendships with Ruggieri . . ." OIP at ¶35. The decision in *Newman* makes clear that this allegation is insufficient on its face. Second, the Commission alleges that "Ruggieri, and his managers at Wells Fargo, provided positive feedback to Bolan's managers at Wells Fargo," which "helped Bolan to be promoted from vice president to director." ¶36. This vague and unspecific allegation also falls far short of establishing the requisite "consequential" *quid pro quo* between Mr. Bolan and Mr. Ruggieri. *Newman*, 2014 WL 6911278 at \*10.

Accordingly, we respectfully request that the Court grant Respondents leave to make a motion for summary disposition on, or before, January 8, 2015.

Respectfully,

A handwritten signature in cursive script that reads "Paul W. Ryan" followed by a horizontal line.

Paul W. Ryan

cc: Sandeep Satwalekar, Division of Enforcement (by email)  
Sam Lieberman, Counsel for Gregory T. Bolan (by email)