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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

CIV 4904

SECURITIES AND EXCHANGE
COMMISSION,

Plaintiff,

v.

COMPANIA INTERNACIONAL
FINANCIERA S.A., COUDREE CAPITAL
GESTION S.A., and CHARTWELL ASSET
MANAGEMENT SERVICES,

Defendants.

Civil Action No. _____

ECF CASE
JURY DEMAND REQUESTED
JUL 15 2011
U.S.D.C. S.D. N.Y.
CASHIERS

COMPLAINT

Plaintiff Securities and Exchange Commission (the "SEC" or "Commission"), for its
Complaint alleges as follows:

SUMMARY OF THE ACTION

1. This is an insider trading case involving highly profitable and suspicious purchases of the securities of Arch Chemicals Inc. ("Arch"), a company based in Norwalk, Connecticut whose common stock trades on the New York Stock Exchange ("NYSE"). Defendants are believed to be Swiss-based investment entities that made purchases of Arch securities in the days leading up to a July 11, 2011, acquisition announcement. On July 11, 2011, Lonza Group Ltd. ("Lonza"), itself a Swiss-based company, announced an agreement under which Lonza would offer to acquire all of the outstanding common stock of Arch at a price of \$47.20 per share. In the week prior to the announcement, during which the Defendants purchased Arch common stock, Arch's share price increased 21 percent. At the close of trading

on the day of the announcement, Arch's common stock price rose an additional 12 percent (and above the Lonza offer price), to \$47.37. There was no public information available concerning the acquisition before the Defendants bought Arch securities.

2. On or about July 11, 2011, following the acquisition announcement, the Defendants began selling the securities that had been acquired in the days leading up to the announcement, realizing millions of dollars in trading profits.

3. Because the Defendants are foreign entities and placed the unlawful trades through foreign accounts, there is a substantial risk that the proceeds of their sales of Arch securities will be transferred beyond the jurisdiction of the United States courts. Accordingly, the Commission brings this action for emergency relief, including an order preventing any such transfer overseas.

JURISDICTION AND VENUE

4. This Court has jurisdiction over this matter pursuant to Sections 21(e), 21A, and 27 of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. §§ 78u(e), 78u-1, and 78aa]. The Defendants have directly or indirectly made use of the means or instrumentalities of interstate commerce, or of the mails, or the facilities of a national securities exchange in connection with the acts, practices, transactions, and courses of business alleged in this Complaint.

5. Venue lies in this Court pursuant to Section 27 of the Exchange Act [15 U.S.C. § 78aa] because certain acts, practices, transactions and courses of business constituting the violations occurred in the Southern District of New York. Arch's common stock trades on the NYSE under the ticker symbol "ARJ."

6. Unless restrained and enjoined, the Defendants will continue to engage in the acts, practices, transactions, and courses of business alleged in this Complaint, or in acts, practices, transactions, and courses of business of similar purport and object.

DEFENDANTS

7. **Compania Internacional Financiera S.A.** (“CIF”) is an offshore investment vehicle, organized under the International Business Companies Act of the British Virgin Islands, which conducts business from one or more offices in Geneva, Switzerland, among possibly other places. On information and belief, CIF is owned and controlled by an individual named Yomi Rodrig (a/k/a Yomtov Rodrig, Yomi Rodrik or Yomtov Rodrik) (“Rodrig”), a Turkish national residing in Geneva, Switzerland. CIF and Rodrig have been sued in the past by the SEC for trading violations.

8. **Coudree Capital Gestion S.A.** (“Coudree”), on information and belief, is an entity based in Geneva, Switzerland that manages funds through a number of related entities, including Coudree Global Equity Fund, an account holder for certain of the trades described herein. On information and belief, Coudree is also owned and/or controlled by Rodrig.

9. **Chartwell Asset Management Services** (“Chartwell”), on information and belief, is an investment entity or adviser based in Geneva, Switzerland.

RELEVANT ENTITIES

10. **Arch Chemicals Inc.** is a Norwalk, Connecticut-based company organized under the laws of the Commonwealth of Virginia. It is a global biocides company that manufactures and sells water treatment chemicals, hair and skin care products or ingredients, wood treatment, preservation and protection applications such as

for paints and building products, and health and hygiene applications. Arch's common stock is registered with the Commission pursuant to Section 12(b) of the Exchange Act.

11. **Lonza Group Ltd.** is a Swiss-based specialty chemicals and biotechnology company.

FACTUAL ALLEGATIONS

12. Between about July 5, 2011 and July 8, 2011, Defendants CIF and Coudree collectively purchased hundreds of thousands of shares of Arch common stock through multiple overseas accounts. On information and belief, these trades were dispersed in an attempt to obscure the unlawful nature of this trading. Specifically:

(a) On July 5, CIF purchased 30,000 shares of Arch through Bank of America/Merrill Lynch in London, with the position delivered to a Brown Brothers Harriman account in New York;

(b) On July 5, Coudree bought 15,000 shares of Arch through Bank of America/Merrill Lynch in London, with the position delivered to UBS Securities LLC in New York;

(c) Between July 6 and July 8, CIF and Coudree collectively bought approximately 460,000 additional shares of Arch through a Credit Suisse Securities (Europe) Ltd. account in London; and

(d) Between July 5 and July 8, CIF and Coudree collectively bought at least 107,000 shares of Arch through Raymond James account(s), which trades cleared through UBS in New York.

13. Similarly, between July 5 and July 8, 2011, Defendant Chartwell placed trades for 425,300 shares of Arch common stock through various intermediaries. Specifically, Chartwell's

trades were placed in London through ADM Investor Services International, an introducing broker; the trades were routed through Chevreux de virie ("Chevreux"), a Paris-based broker-dealer with an office in London; and then cleared through Citigroup in New York.

14. On July 11, 2011, it was announced publicly that Arch had agreed to sell itself to Lonza for \$1.2 billion in cash. The \$47.20 a share price that Lonza agreed to pay represented a 12% increase from the closing price on the previous trading day, Friday July 8. Arch's share price rose above the Lonza offer price on the day of the announcement, closing at \$47.37. In the week prior to the announcement, when the Defendants were making their unlawful purchases, Arch stock increased 21% to \$42.17 (the biggest advance since the period ending Nov. 28, 2008), on higher than average trading volume on each of those days. On Friday July 8 (the last trading day before the announcement), the stock price increased 11% on volume of more than 1.1 million shares, compared with an average of 197,000 shares daily in the prior three months.

15. Searches of publicly-available news sources confirm that prior to the acquisition announcement, there was no public information about the proposed acquisition nor was there any other significant news about Arch in the public domain.

16. Beginning on or about July 11, 2011, immediately after the acquisition announcement, the Defendants began selling the recently-purchased shares of Arch common stock.

17. As a result of the above-described trading and price increase in Arch common stock, the Defendants have realized several million dollars or more in profits.

18. On information and belief, at the time Defendants purchased the Arch securities as set forth above, they were in possession of material, non-public information about Lonza's proposed acquisition of Arch.

CLAIM FOR RELIEF

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

19. Paragraphs 1 through 18 are realleged and incorporated by reference.

20. On information and belief, at all relevant times, Defendants knew, recklessly disregarded, or should have known, that the information they possessed concerning the proposed acquisition of Arch by Lonza had been conveyed to them in breach of a duty of trust and confidence. On the basis of that information, Defendants purchased Arch securities.

21. By reason of the conduct described above, Defendants in connection with the purchase or sale of securities, by the use of any means or instrumentalities of interstate commerce or of the mails, or of any facility of any national securities exchange, directly or indirectly (a) employed devices, schemes, or artifices to defraud; (b) made untrue statements of material fact or omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; or (c) engaged in acts, practices, or courses of business which operate or would operate as a fraud or deceit upon any persons, including purchasers or sellers of the securities.

22. By reason of the foregoing, Defendants, directly and indirectly, violated Section 10(b) of the Exchange Act [15 U.S.C § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5].

PRAYER FOR RELIEF

WHEREFORE, the Commission requests that the Court:

(a) enter a preliminary injunction, order freezing assets, and order for other equitable relief in the form submitted with the Commission's application for such relief;

(b) enter a permanent injunction restraining Defendants and each of their agents, servants, employees and attorneys and those persons in active concert or participation with them who receive actual notice of the injunction by personal service or otherwise, from violating Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder;

(c) ordering Defendants to disgorge all illicit trading profits resulting from conduct alleged in this Complaint, along with prejudgment interest thereon;

(d) ordering Defendants to pay civil monetary penalties pursuant to Exchange Act Section 21A [15 U.S.C. § 78u-1]; and

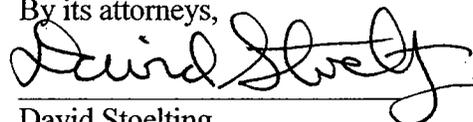
(e) granting such other and further relief as the Court deems just and appropriate.

Dated: July 15, 2011
New York, New York

Respectfully submitted,

**SECURITIES AND EXCHANGE
COMMISSION,**

By its attorneys,



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