

U.S. SECURITIES AND EXCHANGE COMMISSION
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**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY
TRENTON DIVISION**

**U.S. SECURITIES AND EXCHANGE
COMMISSION,**

Plaintiff,

v.

ARUN J. SINGH,
7 Matthew Court,
Cream Ridge, NJ 08514

Defendant.

Case No. _____

COMPLAINT

Plaintiff U.S. Securities and Exchange Commission (the “Commission”) alleges:

SUMMARY

1. This case involves unlawful insider trading by Arun J. Singh in the securities of UTi Worldwide, Inc. (“UTi”), a global supply chain services company based in Long Beach, California. In September 2015, Singh traded on material nonpublic information that DSV Air & Sea Holdings A/V (“DSV”), a Danish global transport and logistics services company, was in negotiations to acquire UTi. Singh, a medical doctor, was told in confidence material nonpublic

information concerning this potential acquisition by his friend, who was a senior DSV executive involved in the acquisition negotiations.

2. In breach of his duty of trust and confidence to his friend, Singh misused this material nonpublic information to purchase shares of UTi. Between September 21 and September 23, 2015, Singh purchased a total of 7,105 shares of UTi in his personal brokerage accounts, at average price of \$5.81 per share. Approximately two weeks later, on the morning of October 9, 2015, DSV and UTi publicly announced that they had entered into an agreement for DSV to acquire UTi at price of \$7.10 per share. This represented a significant premium over the recent market price of UTi stock. Following the public announcement, the market price of UTi shares increased that day over 50% on heavy trading, closing at \$7.13 per share. That day, Singh sold 6,600 shares of his recently purchased UTi stock, and sold his remaining 505 shares in January 2016. Singh's illicit profits from insider trading in UTi securities totaled \$8,330.

3. By engaging in the conduct alleged in this Complaint, Singh violated the antifraud provisions of Sections 10(b) of the Securities Exchange Act of 1934 ("Exchange Act") [15 U.S.C. § 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. § 240.10b-5]. The Commission seeks in this action a permanent injunction, disgorgement with prejudgment interest, and a civil penalty.

JURISDICTION AND VENUE

4. The Commission brings this action under Sections 21(d) and 21A of the Exchange Act [15 U.S.C. §§ 78u(d) and 78u-1].

5. This Court has jurisdiction over this action under Sections 21(d), 21(e), 21A, and 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e), 78u-1 & 78aa]. Defendant, directly or indirectly, made use of the means or instrumentalities of interstate commerce, or the mails, or the

facilities of a national securities exchange in connection with the transactions, acts, practices, and courses of business alleged in this Complaint.

6. Venue is proper in this district under Section 27 of the Exchange Act [15 U.S.C. §78aa] because Defendant resides in and because one or more acts or transactions constituting the violation occurred within the District of New Jersey.

7. Assignment to the Trenton Division is appropriate because the events or omissions giving rise to the Commission's claims occurred, among other places, in Monmouth County, New Jersey.

DEFENDANT

8. Arun J. Singh ("Singh"), age 48, resides in Cream Ridge, New Jersey. Singh is a medical doctor.

OTHER RELEVANT ENTITIES

9. UTi Worldwide, Inc., a global supply chain services and solutions company, is incorporated in the British Virgin Islands and based in Long Beach, California. Prior to being acquired by DSV Air & Sea Holdings A/S in January 2016, UTi's common stock was registered with the Commission pursuant to Section 12(g) of the Exchange Act [15 U.S.C. § 78l(g)], and traded on the NASDAQ.

10. DSV Air & Sea Holdings A/S, a global supplier of transport and logistics services, is a Danish company headquartered in Hedehusene, Denmark. DSV is a public company with securities listed on the NASDAQ Copenhagen Stock Exchange.

FACTS

11. On September 13, 2015, the General Counsel of DSV sent the Chief Administrative Officer and Corporate Secretary of UTi an unsolicited letter proposing terms of

an acquisition of UTi by DSV. Immediately following this letter, representatives of the companies began negotiating the terms of a potential acquisition. These negotiations continued through early October, and on October 9, 2016, the companies publicly announced they had entered into an acquisition agreement. DSV and UTi both were public companies. Information that DSV was in negotiations to acquire UTi was both material and nonpublic information.

12. On Saturday, September 19, 2015, Arun J. Singh, a medical doctor, had dinner with his close friend who was a senior executive at DSV. The friend was personally involved in DSV's negotiations to acquire UTi. During the dinner, the friend told Singh in confidence that DSV was in negotiations to acquire a company. From a previous discussion with the friend, Singh knew that UTi was the likely acquisition target. Singh knew that the information his friend told him was material and nonpublic. Singh and his friend had a history and practice of sharing confidences. Singh knew, or reasonably should have known, that his friend expected Singh to maintain the confidentiality of this material nonpublic information and not trade on or otherwise misuse the information.

13. In breach of his duty of trust and confidence to his friend, Singh traded on material nonpublic information that DSV was in negotiations to acquire UTi. Following the dinner with his friend on Saturday, September 19, on Monday September 21, 2015, Singh sold other securities he owned, at a loss, and began purchasing UTi stock. Between September 21 and September 23, using material nonpublic information about the potential acquisition of UTi, Singh purchased a total of 7,105 shares of UTi, in two personal brokerage accounts, at an average price of \$5.81 per share.

14. On the morning of October 9, 2015, DSV and UTi publicly announced that they had entered into an agreement for DSV to acquire UTi at price of \$7.10 per share. This

represented a significant premium over the recent market price of UTi stock, and valued the acquisition transaction at \$1.35 billion. That day, after the companies announced the acquisition, the market price of UTi stock increased over 50% on heavy trading and later closed at a price of \$7.13 per share. That day, after the public announcement, Singh sold 6,600 of his recently purchased UTi stock. Singh sold his remaining 505 shares of UTi in January 2016. Singh's illicit profits from insider trading in UTi securities totaled \$8,330.

CLAIM FOR RELIEF

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

15. The Commission re-alleges and incorporates by reference paragraphs 1 through 14, above.

16. Defendant, by engaging in the conduct described above, directly or indirectly, in connection with the purchase or sale of securities, by use of the means or instrumentalities of interstate commerce, or the mails, or the facilities of a national securities exchange:

- 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; and/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.

17. By engaging in the foregoing conduct, Singh violated, and unless enjoined will continue to violate, 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 respectfully requests that the Court enter Final Judgment:

I.

Permanently restraining and enjoining Defendant from, directly or indirectly, engaging in conduct in violation of Section 10(b) Exchange Act [15 U.S.C. §§ 78j(b)] and Rule 10b-5 thereunder [17 C.F.R. §§ 240.10b-5];

II.

Ordering Defendant to disgorge, with prejudgment interest, the illicit trading profits resulting from the conduct alleged in this Complaint;

III.

Ordering Defendant to pay a civil penalty pursuant to Section 21A of the Exchange Act, [15 U.S.C. § 78u-1]; and

IV.

Granting such other and further relief as this Court may deem just and necessary.

DATED: October 3, 2017

Respectfully submitted,

s/ Brian T. Fitzsimons

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DESIGNATION OF AGENT FOR SERVICE

Pursuant to Local Civil Rule 101.1(f), because the Commission does not have an office in this district, the United States Attorney for the District of New Jersey is hereby designated as eligible as an alternative to the Commission to receive service of all notices or papers in the above captioned action. Therefore, service upon the United States or its authorized designee, Assistant United States Attorney Leticia B. Vandehaar, United States Attorney's Office for the District of New Jersey, 970 Broad Street, Suite 700, Newark, New Jersey, 07102, shall constitute service upon the Commission for purposes of this action.

By: s/ Brian T. Fitzsimons
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