

**FINANCIAL INDUSTRY REGULATORY AUTHORITY
OFFICE OF HEARING OFFICERS**

DEPARTMENT OF ENFORCEMENT,

Complainant,

v.

CHRISTOPHER JOHN TYNDALL
(CRD 3156096)

Respondent.

DISCIPLINARY PROCEEDING
No. 2012033227402

HEARING OFFICER: MAD

**ORDER ACCEPTING CHRISTOPHER J.
TYNDALL'S OFFER OF SETTLEMENT**

January 15, 2014

INTRODUCTION

Disciplinary Proceeding No. 2012033227402 was filed on May 17, 2013, by the Department of Enforcement of the Financial Industry Regulatory Authority (FINRA) (Complainant). Respondent Christopher Tyndal submitted an Offer of Settlement (Offer) to Complainant dated January 13, 2014. Pursuant to FINRA Rule 9270(e), the Complainant and the National Adjudicatory Council (NAC), a Review Subcommittee of the NAC, or the Office of Disciplinary Affairs (ODA) have accepted the uncontested Offer. Accordingly, this Order now is issued pursuant to FINRA Rule 9270(e)(3). The findings, conclusions and sanctions set forth in this Order are those stated in the Offer as accepted by the Complainant and approved by the NAC.

Under the terms of the Offer, Respondent has consented, without admitting or denying the allegations of the Complaint (as amended by the Offer of Settlement), and solely for the purposes of this proceeding and any other proceeding brought by or on behalf of FINRA, or to which FINRA is a party, to the entry of findings and violations consistent with the allegations of

the Complaint (as amended by the Offer of Settlement), and to the imposition of the sanctions set forth below, and fully understands that this Order will become part of Respondent's permanent disciplinary record and may be considered in any future actions brought by FINRA.

BACKGROUND

Tyndall was registered with ten different FINRA member firms since entering the securities industry in 1998. During the time that he engaged in insider trading, Tyndall worked at Meyers Associates, L.P., where he was registered from November 2004 until February 2010. After leaving Meyers Associates, Tyndall was registered with three other member firms, from February 2010 to June 2012. For two weeks, from February 13 to February 26, 2013, Tyndall was registered with Aegis Capital Corp. Tyndall has not been registered since his termination from Aegis on February 26, 2013.

Although he is no longer registered or associated with a FINRA member firm, Tyndall remains subject to FINRA's jurisdiction for purposes of this proceeding, pursuant to Article V, Section 4, of FINRA's By-Laws because: (1) the Complaint was filed within two years after the effective date of termination of his registration with Aegis Capital, on February 26, 2013; and (2) the Complaint charges Tyndall with misconduct committed while he was registered with a FINRA member firm.

FINDINGS AND CONCLUSIONS

It has been determined that the Offer be accepted and that findings be made as follows:

The findings herein are pursuant to Respondent Tyndall's Offer of Settlement and are not binding on any other person or entity named as a Respondent in this or any other proceeding.

As set forth in Cause One of the Complaint, Respondent willfully violated Section 10(b) of the Exchange Act of 1934 and Rule 10b-5 promulgated thereunder and violated NASD Rules 2120 and 2110.

Summary

From March 2006 to October 2007 (the "Relevant Period"), David Gutman, a registered representative in J.P. Morgan Securities LLC's Conflicts Office, provided Tyndall, a registered representative at Meyers Associates, L.P., with material, nonpublic confidential information concerning at least 15 pending corporate merger or acquisition transactions (the "Tipped Securities"). Tyndall in turn tipped 13 retail customers of his by recommending that they purchase the Tipped Securities. Tyndall's customers made profits of over \$1.7 million by trading ahead of news.

During the Relevant Period, Tyndall earned commissions exceeding \$870,000 for himself and his firm from his customers' purchases and sales in the Tipped Securities. Tyndall also invested personally in at least two of the Tipped Securities and used his parents' securities account to engage in additional purchases of at least four Tipped Securities. Tyndall also passed on the material, nonpublic information to at least four friends of his, three of whom also tipped brokerage customers, family, or friends. One such friend was Joseph Critelli, a registered representative at a New York area brokerage firm. A second friend of Tyndall's made nearly \$1.1 million by using a personal account to trade Tipped Securities ahead of news. A third friend who was tipped by Tyndall also tipped immediate family members and, together with his family, made more than \$450,000 in profits by trading Tipped Securities in their personal securities accounts. Yet another friend of Tyndall's made more than \$160,000 by trading Tipped

Securities. In total, the persons who traded in the Tipped Securities on the basis of the information made over \$9 million in profits.

As a result of the foregoing misconduct, Tyndall willfully violated Section 10(b) of the Securities Exchange Act of 1934, and Rule 10b-5 thereunder, and violated NASD Rules 2120 and 2110.

David Gutman and J.P. Morgan's Conflicts Office

Gutman began working in J.P. Morgan's Conflicts Office in 2003. The Conflicts Office reviews all transactions that may give rise to a conflict of interest for the firm. These include instances where J.P. Morgan works with multiple clients whose interests may conflict and situations where J.P. Morgan's interests may conflict with those of a client. The Conflicts Office manages conflicts of interest by monitoring, clearing, and, when appropriate, limiting the firm's business activities and deal team staffing.

The Conflicts Office is responsible for clearing corporate finance and mergers and acquisitions advisory assignments, debt or equity acquisition financings, and acquisitions, joint ventures or similar arrangements undertaken by J.P. Morgan or its affiliates. After an activity is approved, the Conflicts Office also reviews and clears proposed material changes in reported information, including changes in J.P. Morgan's role, the nature of the activity, and the completion or abandonment of the activity.

The Conflicts Office maintained a database called the Conflicts Reporting System ("CRS") which recorded J.P. Morgan's activities or engagements with its investment banking clients. CRS was updated, as events or developments warranted, by personnel assigned to the Conflicts Office, including Gutman. Approximately 15 persons worked in the Conflicts Office in 2006 and 2007. Everyone in the Conflicts Office, including Gutman, had access to the CRS

database and could review what deals were being reviewed for conflicts purposes, along with updates or changes to the status of each deal as developments warranted.

Everyone in the Conflicts Office, including Gutman, received an identifying email each time a new matter came into the office to be added to the CRS database. Conflicts Office personnel informally collaborated with one another on conflicts reviews. The Conflicts Office also held weekly staff meetings to discuss developments with respect to conflicts reviews.

At all relevant times, J.P. Morgan maintained investment banking and compliance procedures applicable to all personnel, including those in the Conflicts Office. The firm's written procedures and rules imposed an obligation to safeguard material, nonpublic or confidential information. From his position in the Conflicts Office, Gutman had access to and became aware of confidential and material information concerning mergers and acquisitions before the public dissemination of news.

Tyndall and Gutman were long-time personal friends and regularly socialized with each other. They grew up near each other, knew each other in high school, and attended the same university for one year. During 2006-2008, they also telephoned, texted, and emailed each other frequently.

Meyers Associates' Insider Trading Policies

Meyers Associates maintained compliance procedures, applicable to its registered representatives, which provided standards of conduct prohibiting insider trading. The firm's procedures and rules prohibited the use of inside or material, nonpublic information to trade in securities, and prohibited recommending to customers the securities of an issuer while aware of material, non-public information about the issuer.

In November 2004 and in February 2007, Tyndall signed “Representative Agreements” with Meyers Associates in which he acknowledged receiving and reviewing the firm’s written supervisory procedures. In the Representative Agreements, Tyndall also acknowledged that the firm prohibited transactions in any security for any account, including his own account, through the use of nonpublic information. Tyndall also signed Meyers Associates “Insider Trading Acknowledgments” in 2006 and 2007 in which he acknowledged that acting on inside information is unlawful.

Tyndall knew that Gutman worked in the securities industry. He knew, or was reckless in not knowing, that Gutman had a fiduciary duty to his employer and its clients to safeguard information and that information Gutman gave Tyndall concerning mergers and acquisitions about the Tipped Securities was material, nonpublic information.

Tyndall’s Customers’ Trading in Tipped Securities

Thirteen of Tyndall’s customers at Meyers Associates invested in 14 of the Tipped Securities. In one of the Tipped Securities, only Tyndall invested. During the Relevant Period, the 13 customers who purchased Tipped Securities together invested more than \$15.7 million in those securities and earned profits of more than \$1.7 million. None of Tyndall’s customers lost money by trading the Tipped Securities.

In each instance, Tyndall solicited his customers to purchase the Tipped Securities. Each of the Tipped Securities was the subject of a potential merger or acquisition transaction in which J.P. Morgan was involved and was accordingly reviewed by the Conflicts Office.

Most of Tyndall’s customers’ purchases in Tipped Securities occurred between March and September 2007, in advance of the announcement of ten mergers or acquisitions. From just

seven public mergers or acquisitions announced between April 2 and May 29, 2007, Tyndall's customers made profits of over \$1.1 million by purchasing stock in advance of news.

In just one deal, Tyndall's customers made profits of \$464,169. Specifically, they profited from trades in SLM Corporation (commonly known as "Sallie Mae"), whose acquisition was publicly announced on April 13, 2007. Seven of Tyndall's customers bought 42,800 shares of Sallie Mae, investing nearly \$1.8 million, beginning on April 4, 2007.

One of Tyndall's customers made more nearly \$1.1 million by investing in 14 of the Tipped Securities. This customer made his largest single profit of \$340,129 when he bought 31,500 shares of Sallie Mae, from April 4 to 10, 2007, for which he paid more than \$1.3 million, in advance of a news announcement.

In the 14 of the 15 Tipped Securities that Tyndall's customers traded, Tyndall generated a total of \$871,961 in commissions from his customers' purchases and sales. In April 2007, Tyndall produced over \$250,000 in commission revenue for one month alone, and he produced just over \$200,000 the next month, May 2007.

Meyers Associates' registered representatives copied Tyndall's trading

After observing Tyndall's string of successes, colleagues of Tyndall's at Meyers Associates soon began copying his customers' trading by investing in the same securities that they did. At least three registered representatives at the firm invested personally in the Tipped Securities during the Relevant Period. The three registered representatives earned profits of nearly \$500,000 from their personal trading in Tipped Securities. Two of the registered representatives recommended to more than 30 customers that they trade in Tipped Securities during the Relevant Period. The customers made over \$1 million by trading ahead of news.

Tyndall's Trading Aroused Suspensions at Meyers Associates

By approximately early 2007, Tyndall's supervisors at Meyers Associates became concerned that he may have been engaged in insider trading because of the timing of his customers' trades. At least one supervisor noticed what he believed was a pattern of Tyndall's customers making large purchases of securities for companies that soon thereafter were the subject of material news announcements concerning mergers or acquisitions. The supervisor observed that the customers were making considerable profits in a relatively short time. The supervisor believed that the customers' trading activity and their profits were not consistent with Tyndall's prior performance in recommending securities to his customers at the firm.

By early 2007, a Meyers Associates supervisor directed Tyndall's immediate supervisor to monitor Tyndall and his customers' trading activity. On multiple occasions, the firm asked Tyndall if he was in possession of material, nonpublic inside information about the Tipped Securities. In each instance, Tyndall denied that he had such information.

Notwithstanding Tyndall's denials, the firm continued to suspect Tyndall of insider trading. As a result of its suspicions, by early 2007, Meyers Associates prohibited Tyndall from personally trading the securities that he recommended to his customers. The firm did not prevent Tyndall's customers from acting on his recommendations to purchase Tipped Securities.

The firm also instructed other registered representatives at Meyers Associates that they could not "copy" Tyndall's customers' trading activity unless they could demonstrate to the firm that their decision to invest was based on an independent evaluation of the security and not solely on the fact that Tyndall's customers were purchasing the security.

Tyndall's Tippees' Trading in Tipped Securities

Tyndall tipped Critelli regarding the Tipped Securities. Critelli was first registered with a FINRA member firm in 1995 and was last registered in January 2013. Tyndall and Critelli were registered at the same four New York area broker-dealers at the same time at various times from 1998 to 2004. During the course of the investigation into the insider trading at issue in this case, Critelli refused to testify and instead submitted a Letter of Acceptance, Waiver and Consent agreeing to a bar from the securities industry.

More than 40 of Critelli's customers invested in six of the Tipped Securities, and together they made more than \$1.9 million by investing ahead of news. Critelli also traded personally in four of the Tipped Securities and made profits of approximately \$118,713. Critelli also tipped his parents, or used their accounts to trade Tipped Securities. Critelli's parents made \$38,262 from four investments in Tipped Securities.

As at Meyers Associates, registered representatives at Critelli's member firm "copied" Critelli's customers' trading. Approximately ten registered representatives recommended to more than 140 customers purchases in the six Tipped Securities that Critelli's customers traded. The 140 customers made more than \$2 million in profits by trading ahead of news.

Tyndall tipped one friend who invested in 11 of the Tipped Securities and made profits of nearly \$1.1 million, mostly by buying call options in the Tipped Securities during the Relevant Period. This friend made his single largest profit of \$370,535 by buying call options in Alliance Data Systems Corporation ("Alliance Data"), beginning April 23, 2007, in advance of a news announcement on May 17, 2007. He also made \$241,521 in Sallie Mae, after buying 195 call options and 900 shares in the two days prior to the public announcement of its acquisition, on April 13, 2007. The friend also tipped his sister or used her account to trade for himself. She

traded ahead of news announcements in four of the Tipped Securities, and made profits of \$30,270. In addition to his sister, the friend tipped a colleague from work, who traded four of the Tipped Securities ahead of news announcements and made \$191,710.

Tyndall tipped another friend who made \$159,079 by investing in 11 of the Tipped Securities from October 2006 to October 2007. His biggest single profit of \$40,120 was in Sallie Mae. This friend tipped four family members. In total, this friend and his family made \$474,316 in profits by trading in the Tipped Securities ahead of news during the Relevant Period.

Tyndall tipped a fourth friend who invested in four of the Tipped Securities, purchasing both options and shares ahead of news announcements, from March to July 2007. He made profits totaling \$151,692.

The Material Events and the Trading

The following companies about which Tyndall received material non-public information are discussed in chronological order based on the public announcement of the merger or acquisition material event.

North Fork Bancorporation

North Fork Bancorporation (“North Fork”) was the holding company that owned North Fork Bank, a commercial bank with 365 branches in the New York City metropolitan area. On March 4, 2006, J.P. Morgan’s Conflicts Reporting System recorded that it had been retained to advise and finance Capital One Financial Corporation on a prospective acquisition of North Fork Bank. Capital One announced on March 12, 2006, at 11:05 p.m., that North Fork had entered into an agreement in which Capital One would acquire North Fork in a stock and cash transaction valued at approximately \$14.6 billion. On March 13, 2006, the closing price of

North Fork increased \$3.82, or 15 percent, above the previous day's closing price, to close at \$29.21.

On March 7, 2006, Tyndall purchased 50 call options in a personal account he had at Meyers Associates. He sold the options after the public announcement and made a profit of \$9,160. Two of Tyndall's customers bought a total of 7,100 shares on March 9 and sold them after the news announcement for profits totaling \$27,395.

A family member of one of Tyndall's friends bought 400 shares of North Fork on March 7, 2006, and sold them after the news for a profit of \$1,731.

American Power Conversion Corporation

American Power Conversion Corporation ("American Power" or "APCC") provided power protection services and products for large and sophisticated computer systems against losses caused by downtime, data loss, and hardware damage, including loss of power or power surges and variations in ambient temperature. On September 15, 2006, J.P. Morgan's Conflicts Reporting System recorded that the firm had been retained to advise Emerson Electric Company in its efforts to acquire American Power. On October 30, 2006, at 1:45 a.m., American Power announced that it had executed a definitive merger agreement with Schneider Electric SA under which Schneider Electric would acquire all outstanding shares of American Power for \$31.00 per share in cash in a deal valued at approximately \$6 billion. On October 30, 2006, the closing price of American Power increased \$6.25, or approximately 26.2 percent, above the previous day's closing price, to close at \$30.02.

Six of Tyndall's customers bought 18,450 shares of American Power between September 19 and 21, 2006, and sold them after the news for profits totaling \$87,687. On September 27, 2006, Tyndall emailed a customer, "Please keep an eye on the following two companies: APCC,

GHCI [Genesis HealthCare]. I feel both these companies have the potential to be acquired for approximately a 15-25% premium from there [sic] current levels.”

Twenty-four of Critelli’s customers bought 34,600 shares of American Power between September 19 and October 19, 2006. The customers sold 32,250 of the shares after the news for profits of \$197,397. On September 20, 2006, Critelli opened a personal account at a brokerage firm other than his own. He did not disclose the account to his firm. That same day, using that new personal account, Critelli bought 130 call options in American Power. He sold all of the options before the news for a profit.

One of the friends that Tyndall tipped and a family member began buying shares of American Power on September 19 – the same day as Tyndall’s customers did. Together, they bought 700 shares. They sold 500 of the shares after the news for total profits of \$4,414.

@Road, Inc.

@Road, Inc. (“@Road”) integrated global positioning tracking technology using the Internet and wireless communications for companies whose business operations included managing and tracking fleets of vehicles. On June 6, 2005, J.P. Morgan’s Conflicts Reporting System recorded that the firm had been retained to advise @Road in a potential acquisition. On December 4, 2006, another entry in the Conflicts Reporting System recorded that @Road had reached an agreement on the terms of an acquisition by Trimble Navigation Limited (“Trimble”) and that an announcement was expected on December 11, 2006. On December 10, 2006, at 10:37 p.m., @Road announced that it had entered into an agreement with Trimble under which Trimble would acquire all of the outstanding shares of @Road for \$7.50 per share. On December 11, 2006, the closing price of @Road increased \$0.53, or 7.9 percent, above the previous day’s closing price, to close at \$7.24.

On December 8, 2006, Tyndall emailed a customer to recommend @Road: “@Road Corporation (ARDI) trading at approximately \$6.70 per share (Short term buyout).” On December 8, 2006, Tyndall bought 60 call options in a personal account. He sold 30 contracts at a loss on December 11, one day after the news, and the other 30 contracts expired worthless.

One of Tyndall’s friends and a family member bought a total of 4,200 shares of @Road on December 8, 2006, and sold them after the news for profits of \$2,360. Another friend of Tyndall’s bought 23 call options on December 8, the same day that Tyndall bought his options.

Realogy, Inc.

Realogy Corporation (“Realogy”), a spin-off from Cendant Corporation, was in the business of real estate sales franchising and re-location services. It owned Coldwell Banker, Century21, and Sotheby’s International Realty, among other companies and brands. On October 17, 2006, J.P. Morgan’s Conflicts Reporting System recorded that the firm had been retained to advise and finance Apollo Management, L.P.’s bid to acquire Realogy. Two months later, on December 17, 2006, at 8:58 p.m., Realogy announced that it had entered into an agreement to be acquired by an affiliate of Apollo Management in a transaction valued at approximately \$9 billion. The next day, December 18, 2006, the closing price of Realogy increased \$4.90, or 19.2 percent, above the previous day’s closing price, to close at \$30.42.

On December 14, 2006, Tyndall emailed a prospective customer,

“I would appreciate it if you would follow these two companies I am recommending. I feel these companies are prime acquisition targets, and could receive a premium of approximately 20% (each). 1.) Realogy Corp. (H) on the NYSE trading at approximately \$26.00 per share (this will be short term) 2.) Commercial Metals Company (CMC) on the NYSE trading at approximately \$28.75 per share.”

Seven of Tyndall’s customers bought a total of 32,600 shares of Realogy from December 11 to 15, 2006. They sold all of their shares after the news announcement, and collectively made

\$139,025 in profits. Tyndall's parents bought 20 call options on December 11, 2006, and sold them after the news for a \$1,100 profit.

Twenty-seven of Critelli's customers bought a total of 65,800 shares of Realogy between December 12 and 14, 2006. The customers made profits totaling \$179,308 after selling all of the shares after the news announcement. Using his undisclosed personal account, Critelli bought 4,000 shares of Realogy on December 11 and 12, 2006, and sold them all after the news, obtaining \$18,583 in profits.

Critelli's father bought 1,000 shares in an account he opened on November 21, 2006, at the same broker-dealer where Critelli two months earlier had opened his undisclosed account, and sold them after the news, obtaining \$4,910 in profits.

One of Tyndall's friends and a family member bought 5,800 shares of Realogy from December 8 to 15, 2006. They sold 5,600 of the shares after the news announcement and obtained \$21,096 in profits. Another friend bought 20 call options on December 14 and sold them after the news for a profit of \$7,510.

Genesis HealthCare Corporation

Genesis HealthCare Corporation ("Genesis HealthCare" or "GHCI") operated nursing, assisted living, and long-term care facilities, primarily in the eastern United States. On August 8, 2006, J.P. Morgan's Conflicts Reporting System recorded that the firm had been retained as an advisor to Madison Dearborn Partners in its effort to acquire Genesis HealthCare. On September 13, 2006, an entry recorded that Madison Dearborn was expected to make an initial bid on September 18 or 19, 2006, and that Genesis HealthCare had formed a special committee and its Board of Directors was scheduled to meet on or about September 26, 2006. On January 16, 2007, at 10:27 a.m., Genesis HealthCare announced that it had entered into an agreement to be

acquired by a joint venture entered into between affiliates of Formation Capital, LLC, and JER Partners in an all-cash transaction, for \$63.00 per share. On January 16, 2007, the closing price of Genesis HealthCare increased \$8.41, or approximately 15.9 percent, above the previous day's closing price, to close at \$61.26.

Tyndall emailed a customer on September 27, 2006, referencing Genesis HealthCare and American Power as acquisition candidates. Eight of Tyndall's customers bought 36,300 shares of Genesis HealthCare between September 14, 2006, and January 10, 2007. On the 25,100 shares sold after the announcement, the customers collectively made profits of \$228,033.

Thirty-five of Critelli's customers bought a total of 36,240 shares of Genesis HealthCare between September 18 and December 8, 2006. They sold 21,690 of the shares after the news for total profits of \$226,595. Using his undisclosed securities account, Critelli bought 3,000 shares of Genesis HealthCare beginning September 25, 2006. He sold all of the shares before the news announcement and made a profit of \$8,194. Critelli's parents bought 100 shares of Genesis HealthCare on November 16, 2006, and sold them after the news for a \$1,425 profit.

One of Tyndall's friends and a family member bought 9,066 shares of Genesis HealthCare between August 30, 2006 and January 8, 2007, and sold 2,500 of shares after the news announcement for profits of \$35,130. Two other family members each bought 10 call options on December 20, 2006, and made \$5,225 each on the five options that they each sold after the news. Another friend of Tyndall's bought a total of 50 call options in Genesis HealthCare between December 20, 2006, and January 11, 2007. He sold 10 of the options after the news announcement for a profit of \$5,100.

First Data Corporation

First Data Corporation ("First Data" or "FDC") processed commercial electronic payments for merchant transactions in credit and debit cards, including pre-paid credit and gift cards, and check acceptances services. It also operated company credit card loyalty programs. On February 9, 2007, J.P. Morgan's Conflicts Reporting System recorded that the firm was asked to advise Master Card on a potential acquisition of First Data. On March 25, 2007, another entry was made in the system that the firm was retained to advise and finance Kohlberg Kravis on its possible acquisition of First Data. Another CRS entry on the same day stated that Kohlberg Kravis and First Data were targeting the signing of an agreement and an announcement for April 1, 2007. On April 2, 2007, at 3:40 a.m., First Data announced that it had entered into an agreement with Kohlberg Kravis under which Kohlberg Kravis would acquire First Data for \$29 billion. The same day, the closing price of First Data increased \$5.55, or approximately 20.6 percent, above the previous day's closing price, to close at \$32.45.

Seven of Tyndall's customers first bought First Data shares on March 28, 2007, and bought more shares on March 29. Collectively, they bought a total of 47,000 shares of First Data in two days, and then sold all of their shares after the April 2, 2007, news announcement for profits of \$168,339. Tyndall's parents bought 15 call options on March 28, 2007, and sold them after the news for profits of \$6,300.

Critelli's customers started buying First Data on March 29, 2007. In total, 22 customers bought 207,520 shares of First Data in just two days, March 29 and 30, 2007, and sold them all three days later, on April 2, the day of the news announcement, for profits of \$809,648. Critelli bought 17,000 shares of First Data in his undisclosed securities account on March 29, 2007, and sold them after the news for a \$100,130 profit.

Critelli's father bought 3,900 shares of First Data, also on March 29, and made \$22,272 in profits. Using another, joint securities account, Critelli's parents bought 20 call options on March 29, 2007, and sold them for a \$9,000 profit after the news announcement.

A friend of Tyndall's and four family members bought 5,800 shares of First Data and 105 call options from March 28 to 30, 2007, which they sold after the news for profits of \$81,456.

Another friend of Tyndall's bought 272 call options in First Data on March 28, 29, and 30, and sold them after the news announcement for profits of \$103,260. The friend's co-worker bought 25 call options on March 29 and sold them after the news for a profit of \$10,325.

Another friend of Tyndall's bought 155 call options in First Data between March 28 and 30, 2007, and 3,000 shares of First Data on March 30. This friend sold the options and shares after the news for combined profits of \$61,775.

SLM Corporation ("Sallie Mae")

SLM Corporation ("SLM"), or Sallie Mae, originates, services, and collects on primarily U.S. Government-guaranteed student loans. On February 21, 2007, J.P. Morgan's Conflicts Reporting System recorded that the firm was asked to advise and finance J.C. Flowers & Co. in a potential acquisition of Sallie Mae and that J.P. Morgan might also invest in the deal. On March 5, 2007, another entry was made in CRS repeating that J.P. Morgan was asked to advise and finance J.C. Flowers in an acquisition of Sallie Mae. Another entry, on April 2, 2007, reported on the status of an asset-backed security financing that J.P. Morgan was involved with on behalf of Sallie Mae. It was announced on April 13, 2007, at 4:27 a.m., that Sallie Mae was in talks to be bought out by a private equity firm in a deal valued at over \$20 billion. The same day, the closing price of Sallie Mae increased \$8.51, or 18.1 percent, above the previous day's closing price, to close at \$55.31.

Seven of Tyndall's customers bought a total of 42,800 shares of Sallie Mae beginning on April 4, 2007. They sold their shares after the news announcement for profits of \$464,169.

A friend of Tyndall's and two family members bought 5,450 shares of Sallie Mae from April 3 to April 12, 2007, and sold them after the news announcement for total profits of \$66,625. Another family member bought 20 call options and 300 shares of Sallie Mae on April 11, 2007, and sold them after the news for profits of \$25,260.

Another friend of Tyndall's bought 900 shares of Sallie Mae on April 11 and 195 call options on April 11 and 12, 2007. He sold the shares for profits of \$12,296 and the options for profits of \$229,225 after the news announcement. The friend's sister bought three call options on April 11 and sold them for profits of \$2,985. The friend's co-worker bought 45 call options on April 11 on which he made profits of \$53,475 after the news.

Florida East Coast Industries

Florida East Coast Industries, Inc. ("Florida East Coast") operated a freight railroad and a commercial and industrial real estate business in Florida. On March 2, 2007, J.P. Morgan's Conflicts Reporting System recorded that the firm had been retained to help finance Cerberus Capital Management, L.P. in connection with its intent to acquire Florida East Coast. Five days later, on March 7, 2007, another entry in CRS stated that the firm would provide financing in The Carlyle Group's possible acquisition of Florida East Coast. On May 8, 2007, at 9:37 a.m., Florida East Coast announced that it had entered into a merger agreement with private equity funds managed by affiliates of Fortress Investment Group, LLC, under which Fortress would acquire the company in a transaction valued at \$3.5 billion. The same day, the closing price of Florida East Coast increased \$10.84, or 14.6 percent, above the previous day's closing price, to close at \$84.99.

One of Tyndall's customers bought 3,000 shares of Florida East Coast on April 27, 2007, which he sold after the news announcement for profits of \$18,849.

One of Tyndall's friends bought a total of 220 call options in Florida East Coast from April 30 to May 7, 2007, and made \$28,700 on the 120 options that he sold after the news.

Bausch & Lomb Incorporated

Bausch & Lomb Incorporated ("Bausch & Lomb") is a leading supplier of eye products, including contact lenses and lens care products, with operations throughout the world. On April 4, 2007, J.P. Morgan's Conflicts Reporting System recorded that the firm had been retained to advise and finance Warburg Pincus LLC, a private equity firm, in its acquisition of Bausch & Lomb. On May 16, 2007, at 8:09 a.m., Bausch & Lomb announced that it had entered into a merger agreement with affiliates of Warburg Pincus in a \$4.5 billion transaction. The same day, the closing price of Bausch & Lomb increased \$5.97, or 9.7 percent, above the previous day's closing price, to close at \$67.46.

Two of Tyndall's customers bought a total of 9,000 shares of Bausch & Lomb on April 27, 2007, and sold 6,000 shares after the news for profits of \$30,420.

One friend of Tyndall's bought 1,700 shares of Bausch & Lomb between April 17 and May 1, 2007. He sold 100 shares after the news for a small profit. Another friend of Tyndall's bought a total of 300 call options on April 24 and April 30 and sold 170 of the contracts after the news for profits of \$43,320. The friend's co-worker bought 495 call options from April 24 to 26, and sold 218 of the contracts after the news for profits of \$20,830. Another friend of Tyndall's bought 70 call options on April 24, 2007, and sold them after the news for \$5,900 in profits.

Alliance Data Systems Corporation

Alliance Data Systems Corporation (“Alliance Data” or “ADS”) was a leading provider of loyalty and marketing programs, such as private label credit cards and company coalition loyalty programs. On April 13, 2007, J.P. Morgan’s Conflicts Reporting System recorded that the firm had been asked by Providence Equity Partners LLC to finance a bid for Alliance Data. On April 19, 2007, another CRS entry recorded that the firm would finance Bain Capital and other investment firms to acquire Alliance Data. The next day, on April 20, 2007, another CRS entry recorded that J.P. Morgan was involved in financing Providence Equity’s acquisition of Alliance Data. Yet another entry, on April 26, 2007, recorded that the firm would finance The Blackstone Group L.P.’s acquisition of Alliance Data. On May 17, 2007, at 8:51 a.m., Alliance Data announced that it had entered into an agreement to be acquired by Blackstone Capital Partners V, L.P., an affiliate of The Blackstone Group, in a transaction valued at \$7.8 billion. The same day, the closing price of Alliance Data increased \$15.54, or 24.6 percent, above the previous day’s closing price, to close at \$78.50.

Five of Tyndall’s customers bought a total of 24,800 shares of Alliance Data on April 23 and 27, 2007. They sold all of the shares after the news announcement for profits of \$219,630.

A friend of Tyndall’s and a family member bought a total of 6,885 shares of Alliance Data from April 23 to May 16, 2007. They sold 3,185 shares after the news for profits of \$57,266. Two other family members of the friend bought 30 call options, on April 25 and 27, 2007, and sold them after the news for profits of \$38,775.

Another friend of Tyndall’s bought 350 call options from April 23 to May 16, 2007 and sold all of them after the news for total profits of \$370,535. The friend’s co-worker bought 75 call options on April 25, 2007, and sold them all after the news for profits of \$72,500.

Cytec Corporation

Cytec Corporation ("Cytec" or "CYTC") designed, developed and manufactured clinical products focusing on women's health, including cervical and breast cancer screening and risk assessment. On May 7, 2007, J.P. Morgan's Conflicts Reporting System recorded that the firm was participating in a second fairness opinion on behalf of Hologic Corporation in its acquisition of Cytec. On May 9, 2007, another entry recorded that J.P. Morgan was asked to provide a fairness opinion to Cytec concerning its sale to Hologic. Cytec announced on Sunday, May 20, 2007, at 3:03 p.m., that it had signed a merger agreement with Hologic under which Cytec shareholders would receive .52 shares of Hologic stock and \$16.50 for each Cytec share. On May 21, 2007, the closing price of Cytec was \$43.00 per share, an increase of \$7.95, or approximately 22 percent, from the prior business day's closing price.

Nine of Tyndall's customers bought a total of 29,950 shares of Cytec from May 9 to May 16, 2007, and sold them after news for total profits of \$174,705. On May 11, 2007, Tyndall's parents bought 15 call options in Cytec and sold them after the news for a profit of \$10,200.

On May 11, 2007, Tyndall emailed one of his customers, "I am extremely confident [*sic*] that we will hear some news from Cytec Corp by early next week." He also emailed four other clients from May 9 to May 14 recommending investments in Cytec. On May 16, he emailed an office assistant of one of his most active customers about the customer's purchase of a total of 17,500 shares of Cytec a few days earlier, for which he paid more than \$600,000, saying "I think he will be very happy with the end result." The customer made profits of \$99,740 by trading ahead of news in Cytec.

On Friday, May 18, 2007, Tyndall emailed a customer who wanted to sell the 550 shares of Cytec that he had bought on May 11, 2007, urging him to wait until May 21, 2007: "If there is

no news by then, I will sell your position Monday morning [May 21] and wire the funds back to your bank account immediately after the liquidation.” The customer waited to sell his shares until after the news in Cytyc and made \$3,535 in profits.

A friend of Tyndall’s bought 1,700 shares of Cytyc on May 10 and 18, 2007, and sold them for profits of \$19,140. Three family members bought 3,000 shares of Cytyc and 20 call options between May 9 and 11, 2007, and sold them after the news for \$46,027 in profits.

Another friend of Tyndall’s bought 1,500 shares of Cytyc on May 11 and 17 and 413 call options from May 10 to May 18, 2007. He sold all of the Cytyc shares after the news announcement for a \$12,500 profit and 353 of the call options for a \$206,995 profit. The friend’s sister bought a total of 50 call options on May 10 and 17. She exercised five of the options before the news and sold the 500 shares she acquired for a \$4,060 profit. She sold the remaining 45 options after the news for a profit of \$21,075. The friend’s co-worker bought 55 call options on May 17 and sold them after the news announcement for profits of \$34,580.

Another friend of Tyndall’s bought 5,000 shares of Cytyc on May 10, 2007, and 160 call options from May 10 and 18, 2007. He made total profits of \$96,832 on the shares and the 80 call options that he sold after the news.

Avaya, Inc.

Avaya, Inc. (“Avaya”) provides telephones and other business communications systems, including telephone contacts and call centers, networking hardware, and video hardware and software products. On March 5, 2007, J.P. Morgan’s Conflict Reporting System recorded that it had been asked for guidance by Golden Gate Capital in its possible acquisition of Avaya.

Another entry, on March 9, 2007, recorded that the firm was asked to advise Nortel Networks Corporation in a possible acquisition of Avaya. A month later, on April 15, 2007, a CRS entry

recorded that J.P. Morgan had been asked by Avaya to advise it on its sale. An entry on May 23, 2007, reported on a request to finance Silver Lake Partners LLC's potential acquisition of Avaya. On May 29, 2007, at 2:36 a.m., Avaya announced that it was in negotiations to sell a part or all of the company. The same day, the closing price of Avaya increased \$2.08, or 15.2 percent, above the previous day's closing price, to close at \$15.76.

Five of Tyndall's customers bought a total of 27,000 shares of Avaya from May 18 to 25, 2007, and made a total of \$72,565 in profits when they sold the shares after the news.

A friend of Tyndall's bought 4,000 shares of Avaya from May 21 to 24, 2007, and earned profits of \$7,860 on the 3,000 shares that he sold after the news. Two family members bought 700 shares of Avaya on May 22 and 25, 2007, and sold them after the news for a small profit.

BCE, Inc.

BCE, Inc. ("BCE") is Canada's largest telecommunications and media company, and is the holding company for Bell Canada. On April 13, 2007, J.P. Morgan's Conflicts Reporting System recorded that the firm been approached by Telus Communications to advise it on a potential acquisition or leveraged buyout of BCE. On June 21, 2007, at 12:42 a.m., BCE and Telus confirmed that the two companies were in merger discussions. That same day, the closing price of BCE increased \$1.16, or 3.1 percent, above the previous day's closing price, to close at \$37.88. On June 30, 2007, at 9:03 a.m., BCE announced that it had entered into an agreement to be acquired by an investor group led by Teachers' Private Capital in a deal valued at \$48.5 billion. On June 30, 2007, the closing price of BCE increased \$1.63, or 4.2 percent, above the previous day's closing price, to close at \$39.43.

Four of Tyndall's customers bought a total of 36,250 shares of BCE between June 6 and June 19, 2007. They made a total of \$9,334 in profits on the 28,750 shares sold after the news announcements.

Checkfree Corporation

Checkfree Corporation ("Checkfree" or "CKFR") developed and marketed software used by financial institutions to electronically process check and Automated Clearing House transactions. On May 23, 2007, J.P. Morgan's Conflicts Reporting System recorded that the firm was retained to advise Fidelity National Information Services, Inc. ("Fidelity National") on a possible acquisition of Fiserv, Inc. On June 21, 2007, the Conflicts Reporting System recorded that the firm was retained to advise Fidelity National on possibly acquiring Checkfree. On August 2, 2007, at 8:30 a.m., Checkfree announced that it had entered into an agreement with Fiserv under which Fiserv would acquire Checkfree in an all-cash transaction valued at approximately \$4.4 billion. On August 2, 2007, the closing price of Checkfree increased \$8.57, or 23.2 percent, above the previous day's closing price, to close at \$45.40.

Five of Tyndall's customers bought a total of 29,000 shares of Checkfree from June 28 to July 9, 2007. They sold their shares after the news announcement for profits of \$69,327. Tyndall's parents bought 25 call options on July 2, 2007, and sold 10 of the call options after the news announcement for a small profit.

Seventeen of Critelli's customers bought a total of 102,950 shares of Checkfree between July 16 and July 31, 2007. Of the total, 99,950 shares were sold after the news announcement for \$378,518 in profits. Critelli's parents bought 100 shares of Checkfree on July 17, 2007, and sold them after the news for a small profit.

A friend of Tyndall's bought 2,100 shares of Checkfree between June 26 and August 1, 2007, and sold 1,100 of the shares after the news for profits of \$8,701. A family member of the friend bought 2,000 shares of Checkfree between July 23 and 25, 2007, and sold all of them after the news for profits of \$15,868.

Another friend of Tyndall's bought a total of 1,500 shares of Checkfree on June 26 and 29, 2007, and sold them all after the news for a profit of \$8,317. He also bought 449 call options between June 26 and July 24 and sold 421 of the options after the news for profits of \$48,795. The friend's sister bought 20 call options on July 19 and sold them after the news for a profit of \$1,300. Another friend of Tyndall's bought 500 shares of Checkfree on July 24, 2007, and sold them after the news for a \$3,985 profit.

Commerce Bancorp, Inc.

Commerce Bancorp, Inc. ("Commerce Bancorp") was the holding company for Commerce Bank, which operated more than 400 branches in New Jersey and Pennsylvania. On July 27, 2007, J.P. Morgan's Conflicts Reporting System recorded that the firm had been asked to advise TD Bank in an acquisition of Commerce Bancorp. On October 2, 2007, at 6:55 a.m., Commerce Bancorp announced that it had entered into an agreement under which TD Bank would acquire Commerce Bancorp in an \$8.5 billion transaction. On October 2, 2007, Commerce Bancorp's closing price decreased \$0.18, or 0.5 percent, below the previous day's closing price, to close at \$39.44. However, in the month preceding the announcement of the transaction, the closing price of Commerce Bancorp had increased more than \$2.00 per share, from \$37.57 to \$39.69.

On September 27 and 28, 2007, Tyndall emailed a customer recommending Commerce Bancorp, in which he said, "there is some news of a possible acquisition [of CBH] from

Citigroup or JPMorgan.” Four of Tyndall’s customers bought a total of 29,650 shares of Commerce Bancorp between August 10 and October 1, 2007. The customers made a small profit on the 19,150 shares that they sold after the news announcement.

Nineteen of Critelli’s customers bought a total of 72,400 shares of Commerce Bancorp between September 6 and October 1, 2007. They sold all of the shares after the news announcement for profits of \$121,181.

A friend of Tyndall’s and two family members bought 12,500 shares of Commerce Bancorp between August 9 and September 25, 2007. They sold 4,400 shares after the news for profits of \$18,644.

Conclusion

As set forth in Cause One of the Complaint, Tyndall traded on and tipped others who traded on material confidential, nonpublic information that he received from Gutman concerning multiple pending mergers and acquisitions. Tyndall knew, or should have known, or was reckless in not knowing, that the material, nonpublic information was obtained in breach of a duty of trust or confidence. Tyndall tipped others, who used that material, nonpublic information to purchase or sell securities of the 15 issuers.

By engaging in this conduct, Tyndall, directly or indirectly, in connection with the purchase or sale of securities, by use of the mean 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 facts and 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 (c) engaged in acts, practices, and courses of business which operated or would operate as a fraud or deceit upon any person, including purchasers of

the securities. By engaging in such conduct, Tyndall acted with scienter, that is, with an intent to deceive, manipulate or defraud or with reckless disregard for the truth.

By reason of the foregoing, Tyndall willfully violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder, and violated NASD Rules 2120 and 2110.

Based on these considerations, the sanctions hereby imposed by the acceptance of the Offer are in the public interest, are sufficiently remedial to deter Respondent from any future misconduct, and represent a proper discharge by FINRA, of its regulatory responsibility under the Securities Exchange Act of 1934.

SANCTIONS

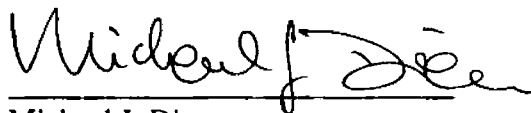
It is ordered that Respondent Tyndall be barred in all capacities.

The sanctions imposed herein shall be effective on a date set by FINRA staff. Pursuant to FINRA Rule 8313(e), a bar or expulsion shall become effective upon approval or acceptance of this Order.

SO ORDERED.

FINRA

Signed on behalf of the
Director of ODA, by delegated authority

A handwritten signature in black ink, appearing to read "Michael J. Dixon", is written over a horizontal line.

Michael J. Dixon
Senior Counsel
FINRA Department of Enforcement
15200 Omega Drive, Third Floor
Rockville, MD 20850
Tel: 301-258-8522
Fax: 202-303-3980
michael.dixon@finra.org