

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 54924 / December 12, 2006

ADMINISTRATIVE PROCEEDING
File No. 3-12503

In the Matter of	:	ORDER INSTITUTING
Guillaume Pollet,	:	ADMINISTRATIVE PROCEEDINGS
Respondent.	:	PURSUANT TO SECTION 15(b) OF THE
	:	SECURITIES EXCHANGE ACT OF 1934,
	:	MAKING FINDINGS, AND IMPOSING
	:	REMEDIAL SANCTIONS
	:	

I.

The Securities and Exchange Commission (“Commission”) deems it appropriate and in the public interest that public administrative proceedings be, and hereby are, instituted pursuant to Section 15(b) of the Securities Exchange Act of 1934 (“Exchange Act”) against Guillaume Pollet (“Pollet” or “Respondent”).

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, and the findings contained in Section III.2 below, which are admitted, Respondent consents to the entry of this Order Instituting Administrative Proceedings Pursuant to Section 15(b) of the Securities Exchange Act of 1934, Making Findings, and Imposing Remedial Sanctions (“Order”), as set forth below.

III.

On the basis of this Order and Respondent’s Offer, the Commission finds that:

1. Pollet, age 41, is a resident of Switzerland. He was a managing director for SG Cowen & Co., LLC (“SG Cowen”) in charge of the Reg. D/Private Placement desk (“Reg. D Desk”) from 1999 until his termination in late 2001. During the period at issue, Pollet held Series 7, 8, and 55 licenses.

2. On November 21, 2006, a partial judgment was entered by consent against Pollet, which, *inter alia*: (a) permanently enjoined Pollet from future violations of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Exchange Act, and Rule 10b-5 thereunder; and (b) ordered Pollet to pay disgorgement, pre-judgment interest, and civil penalties in amounts to be determined by a later order of the Court, in the civil action entitled SEC v. Guillaume Pollet, 05 Civ. 1937 (SLT)(RLM), in the United States District Court for the Eastern District of New York.

3. The Commission’s complaint alleged that Pollet engaged in fraudulent trading in the securities of several public companies that either engaged in or contemplated engaging in “PIPE” transactions. A “PIPE” is a private investment in public equity. At the time of the conduct at issue, Pollet was head of SG Cowen’s Reg. D Desk, in charge of investing proprietary funds in PIPE transactions. The capital for the investments came from SG Cowen’s parent, Société Générale, and was invested and traded through SG Cowen accounts. The complaint alleged that, during 2001, Pollet routinely sold short the publicly traded securities of PIPE issuers prior to the close of such issuers’ PIPE transaction in which SG Cowen was investing or contemplating investing. The complaint further alleged that, in several instances, Pollet’s short selling was contrary to specific representations in securities purchase agreements (“SPAs”) that no short selling would take place or had taken place and that the PIPE shares were being purchased with investment intent. The complaint also alleged that Pollet’s pre-close short selling constituted unlawful insider trading in that (i) on a number of occasions, Pollet obtained information about the upcoming PIPE transaction pursuant to a confidentiality agreement with the PIPE issuer and, therefore, owed such issuer a duty of trust or confidence, which he breached when he sold short the issuer’s stock prior to the close of the PIPE transaction; and (ii) on a number of occasions, SG Cowen served as the PIPE issuer’s investment banker and, as such, was a temporary insider that owed a fiduciary duty to the issuer, which duty Pollet breached when he sold short the issuer’s stock prior to the close of the PIPE transaction. The complaint further alleged that the trading took place in an SG Cowen proprietary account, allowing SG Cowen to lock in substantial profits.

IV.

In view of the foregoing, the Commission deems it appropriate and in the public interest to impose the sanctions agreed to in Respondent Pollet’s Offer.

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, that Respondent Pollet be, and hereby is barred from association with any broker or dealer;

Any reapplication for association by the Respondent will be subject to the applicable laws and regulations governing the reentry process, and reentry may be conditioned upon a number of factors, including, but not limited to, the satisfaction of any or all of the following: (a) any disgorgement ordered against the Respondent, whether or not the Commission has fully or partially waived payment of such disgorgement; (b) any arbitration award related to the conduct that served as the basis for the Commission order; (c) any self-regulatory organization arbitration award to a customer, whether or not related to the conduct that served as the basis for the Commission order; and (d) any restitution order by a self-regulatory organization, whether or not related to the conduct that served as the basis for the Commission order.

For the Commission, by its Secretary, pursuant to delegated authority.

Nancy M. Morris
Secretary