

UNITED STATES OF AMERICA
Before the
SECURITIES AND EXCHANGE COMMISSION

SECURITIES EXCHANGE ACT OF 1934
Release No. 65930 / December 9, 2011

ADMINISTRATIVE PROCEEDING
File No. 3-14659

In the Matter of

ZVI GOFFER,

Respondent.

ORDER INSTITUTING
ADMINISTRATIVE PROCEEDINGS
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 Zvi Goffer (“Goffer” 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 Sections III.2, III.3 and III.5 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. Goffer, age 34, resides in New York, New York. During the relevant time period, Goffer was a registered representative and proprietary trader at Schottenfeld Group LLC, a New York limited liability company and registered broker-dealer based in New York, New York. Goffer held Series 7, 55, 63 and 65 securities licenses.

2. On December 5, 2011, a final judgment was entered by consent against Goffer, permanently enjoining him from future violations of Section 10(b) of the Exchange Act, and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Galleon Management, LP, et al., Civil Action Number 09-CV-8811, in the United States District Court for the Southern District of New York.

3. On December 8, 2011, a final judgment was entered by consent against Goffer, permanently enjoining him from future violations of Section 10(b) of the Exchange Act and Rule 10b-5 thereunder, in the civil action entitled Securities and Exchange Commission v. Arthur J. Cutillo, et al., Civil Action Number 09-CV-9208, in the United States District Court for the Southern District of New York.

4. The Commission's complaints alleged, inter alia, that, while working as a trader at Schottenfeld in 2007, Goffer was tipped material, nonpublic information concerning Hilton Hotels Corporation ("Hilton"), Kronos Inc. ("Kronos"), Alliance Data Systems Corp. ("ADS"), Avaya Inc. ("Avaya"), Axcen Pharma Inc. ("Axcen") and 3Com Corp. ("3Com"), which information had been conveyed in violation of a duty. The complaints further allege that Goffer traded in the securities of Hilton, Kronos, Avaya and 3Com, based on that material, nonpublic information, and also tipped the material, nonpublic information to others.

5. On June 13, 2011, Goffer was found guilty of two counts of conspiracy to commit securities fraud and twelve counts of securities fraud in violation of Title 18 United States Code, Sections 2 and 371, and Title 15 United States Code, Sections 78j(b) and 78ff, in the U.S. District Court for the Southern District of New York, in United States v. Zvi Goffer, 10-CR-56.

6. The counts of the criminal indictment to which Goffer was found guilty alleged, inter alia, that Goffer, and others, participated in a scheme to defraud by executing securities trades based on material, nonpublic information regarding certain inside information concerning public companies that had been misappropriated in violation of duties of trust and confidence, and that he unlawfully, willfully and knowingly did so, directly and indirectly, by use of the means and instrumentalities of interstate commerce, and of the mails, and of the facilities of national securities exchanges, in connection with the purchase and sale of securities.

IV.

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

Accordingly, it is hereby ORDERED:

Pursuant to Section 15(b)(6) of the Exchange Act, Respondent Goffer be, and hereby is barred from association with any broker or dealer, investment adviser, municipal securities dealer or transfer agent, and barred from participating in any offering of a penny stock, including: acting as a promoter, finder, consultant, agent or other person who engages in activities with a broker, dealer or issuer for purposes of the issuance or trading in any penny stock, or inducing or attempting to induce the purchase or sale of any penny stock.

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.

By the Commission.

Elizabeth M. Murphy
Secretary