

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA	:	<u>INFORMATION</u>
	:	
- v. -	:	25 Cr. ____
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ROBERT YEDID,	:	
ANDREW KAUFMAN, and	:	
MARK JACOBS,	:	
	:	
Defendants.	:	
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COUNT ONE

(Conspiracy to Commit Securities Fraud)

The United States Attorney charges:

1. Between in or about 2019 and in or about 2024, ROBERT YEDID, ANDREW KAUFMAN, and MARK JACOBS, the defendants, together made more than \$500,000 in illegal profits by trading in stocks and options based on material nonpublic information about publicly traded health care companies. At the time, YEDID was a director at an investor relations firm that provided public relations services to health care companies, including BioDelivery Sciences International Inc. (“BDSI”), CinCor Pharma (“CinCor”), Inotiv (“Inotiv”), Inspire Medical Systems (“Inspire”), Nano-X Imaging Ltd. (“Nano-X”), and OncoCyte Corp. (“OncoCyte”). In that role, he had access to the content of upcoming press releases, which often contained highly sensitive, non-public, and potentially market-moving news, such as earning reports, regulatory approvals, clinical trial results, and merger and acquisition announcements.

2. As a director at the investor relations firm, ROBERT YEDID, the defendant, owed a duty of trust and confidence to his employer and its clients, and he was prohibited from misusing or disclosing the firm’s confidential information for personal gain or to benefit others. Beginning

in or about 2019, however, YEDID knowingly and willfully violated these duties by tipping his friends, ANDREW KAUFMAN and MARK JACOBS, the defendants, with valuable, nonpublic information of upcoming corporate announcements involving client companies. That confidential information included advanced notice of an upcoming merger for BDSI; clinical trial results for healthcare products being developed by OncoCyte and CinCor; and quarterly earnings announcements for Inspire, Nano-X, and Inotiv.

3. ROBERT YEDID, the defendant, understood and intended that the information he provided to ANDREW KAUFMAN and MARK JACOBS, the defendants, would be used to execute securities trades before the information became public. As expected, KAUFMAN and JACOBS did execute trades based on YEDID's tips. In many cases, KAUFMAN and JACOBS traded aggressively in the securities of the affected companies, which securities traded on national exchanges, often purchasing shares or options just days before major announcements were made. As a result of this illegal conduct, KAUFMAN generated profits of more than \$480,000, and JACOBS generated profits of more than \$35,000. In exchange for the tips, KAUFMAN shared half of his illegal profits with YEDID by giving him cash in envelopes during various meetings in Manhattan, New York.

Statutory Allegations

4. Between at least in or about 2019 and in or about 2024, in the Southern District of New York and elsewhere, ROBERT YEDID, ANDREW KAUFMAN, and MARK JACOBS, the defendants, and others known and unknown, willfully and knowingly did combine, conspire, confederate, and agree together and with each other to commit an offense against the United States, to wit, securities fraud, in violation of Title 15, United States Code, Sections 78j(b) and 78ff, and Title 17, Code of Federal Regulations, Section 240.10b-5.

5. It was a part and object of the conspiracy that ROBERT YEDID, ANDREW KAUFMAN, and MARK JACOBS, the defendants, and others known and unknown, willfully and knowingly, directly and indirectly, by use of the means and instrumentalities of interstate commerce, and of the mails and the facilities of national securities exchanges, would and did use and employ manipulative and deceptive devices and contrivances in connection with the purchase and sale of securities, in violation of Title 17, Code of Federal Regulation, Section 240.10b-5 by: (a) employing devices, schemes, and artifices to defraud; (b) making untrue statements of material fact and omitting 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) engaging in acts, practices, and courses of business which operated and would operate as a fraud and deceit upon persons, in violation of Title 15, United States Code, Sections 78j(b) and 78ff, and Title 17, Code of Federal Regulations, Section 240.10b-5.

Overt Acts

6. In furtherance of the conspiracy and to effect its illegal object, the following overt acts, among others, were committed in the Southern District of New York and elsewhere:

<u>Paragraph</u>	<u>Defendant</u>	<u>Trade Date(s)</u>	<u>Transaction</u>
6(a)	ANDREW KAUFMAN	January 15 - 22, 2019	Purchase of 27,004 shares of OncoCyte
6(b)	MARK JACOBS	January 25 - 29, 2019	Purchase of 2,600 shares of OncoCyte
6(c)	ANDREW KAUFMAN	February 4, 2019	Purchase of 6,000 shares of Inspire
6(d)	ANDREW KAUFMAN	May 3 - 6, 2019	Purchase of 6,000 shares of Inspire

6(e)	MARK JACOBS	May 3 - 7, 2019	Purchase of 600 shares of Inspire
6(f)	ANDREW KAUFMAN	October 28, 2020	Purchase of 1,000 shares of Inspire
6(g)	MARK JACOBS	November 2, 2020	Purchase of 100 shares of Inspire
6(h)	ANDREW KAUFMAN	May 7 - 10, 2021	Short sale of 8,000 shares of Nano-X and purchase of 35 put options for Nano-X
6(i)	MARK JACOBS	August 6, 2021	Purchase of 2 put options for Nano-X
6(j)	ANDREW KAUFMAN	August 6 - 10, 2021	Short sale of 4,000 shares of Nano-X and purchase of 70 put options for Nano-X
6(k)	ANDREW KAUFMAN	August 18, 2021	Short sale of 2,000 shares of Nano-X and purchase of 30 put options for Nano-X
6(l)	MARK JACOBS	January 25 - February 8, 2022	Purchase of 5,700 shares of BDSI
6(m)	ANDREW KAUFMAN	January 28, 2022	Purchase of 33,000 shares of BDSI and 260 call options for BDSI
6(n)	ANDREW KAUFMAN	July 20 - 29, 2022	Purchase of 400 shares of Inspire and 5 call options for Inspire
6(o)	ANDREW KAUFMAN	July 20 - August 5, 2022	Purchase of 10,000 shares of CinCor
6(p)	MARK JACOBS	August 1 - 4, 2022	Purchase of 1,000 shares of CinCor
6(q)	ANDREW KAUFMAN	May 7 - 8, 2024	Short sale of 20,000 shares of Inotiv

(Title 18, United States Code, Section 371.)

COUNT TWO
(Securities Fraud)

The United States Attorney further charges:

7. The allegations contained in paragraphs 1 through 3 and 6 of this Information are hereby repeated, realleged, and incorporated by reference, as if fully set forth herein.

8. Between at least in or about 2019 and in or about 2024, in the Southern District of New York and elsewhere, ROBERT YEDID, ANDREW KAUFMAN, and MARK JACOBS, the defendants, knowingly executed a scheme and artifice to (a) defraud persons in connection with securities of an issuer with a class of securities registered under Section 12 of the Securities Exchange Act of 1934 and that was required to file reports under Section 15(d) of the Securities Exchange Act of 1934, and (b) obtain, by means of false and fraudulent pretenses, representations, and promises, money and property in connection with the purchase and sale of securities of an issuer with a class of securities registered under Section 12 of the Securities Exchange Act of 1934 and that was required to file reports under Section 15(d) of the Securities Exchange Act of 1934, to wit, YEDID misappropriated commercially valuable nonpublic information regarding various publicly traded companies from his employer and shared that information with KAUFMAN and JACOBS so that KAUFMAN and JACOBS could execute securities trades based on that information for their personal benefit.

(Title 18, United States Code, Sections 1348 and 2.)

COUNT THREE
(Obstruction of Justice)

The United States Attorney further charges:

9. In or about November 2024, in the Southern District of New York and elsewhere, ANDREW KAUFMAN, the defendant, knowingly altered, destroyed, mutilated, concealed,

covered up, falsified, and made a false entry in a record, document, and tangible object with the intent to impede, obstruct, and influence the investigation and proper administration of a matter within the jurisdiction of a department and agency of the United States, and in relation to and in contemplation of such a matter, to wit, KAUFMAN deleted records that listed the illegal profits made through trading based on material nonpublic information provided by ROBERT YEDID, the defendant, with the intent to impede, obstruct, and influence an investigation by the Federal Bureau of Investigation.

(Title 18, United States Code, Section 1519.)

FORFEITURE ALLEGATION

10. As a result of committing one or more of the offenses charged in Counts One and Two of this Information, ROBERT YEDID, ANDREW KAUFMAN, and MARK JACOBS, the defendants, shall forfeit to the United States, pursuant to Title 18, United States Code, Sections 981(a)(1)(C) and Title 28, United States Code, Section 2461, all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the offenses alleged in Counts One and Two, including but not limited to a sum of money in United States currency representing the amount of proceeds traceable to the commission of said offenses that the defendants personally obtained.

Substitute Assets Provision

11. If any of the above-described forfeitable property, as a result of any act or omission by the defendants:

- a. cannot be located upon the exercise of due diligence;
- b. has been transferred or sold to, or deposited with, a third party;
- c. has been placed beyond the jurisdiction of the court;

- d. has been substantially diminished in value; or
- e. has been commingled with other property which cannot be divided without

difficulty;

it is the intent of the United States, pursuant to Title 21, United States Code, Section 853(p), and Title 28, United States Code Section 2461, to seek forfeiture of any other property of the defendants up to the value of the forfeitable property described above.

(Title 18, United States Code, Sections 981(a)(1)(C); Title 21, United States Code, Section 853(p); Title 28, United States Code, Section 2461.)



JAY CLAYTON
United States Attorney