

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF FLORIDA

CASE NO. 25-CR-60011-DIMITROULEAS

UNITED STATES OF AMERICA

v.

STEPEHEN GEORGE,

Defendant.

PRELIMINARY ORDER OF FORFEITURE

THIS MATTER is before the Court upon motion of the United States for entry of a Preliminary Order of Forfeiture (“Motion”) against Defendant Stephen George (“Defendant”). The Court has considered the Motion, is otherwise advised in the premises, and finds as follows:

On January 24, 2025, the United States filed an Information charging the Defendant Stephen George with securities fraud in violation of 15 U.S.C. §§ 78j(b) and 78ff(a) and 17 C.F.R. § 240.10b-5. Information, ECF No. 1. The Information also contained forfeiture allegations, which alleged that upon conviction of a violation of 15 U.S.C. §§ 78j(b) and 78ff and 17 C.F.R. § 240.10b-5, the Defendant shall forfeit any property, real or personal, which constitutes or is derived from proceeds traceable to defendant’s commission of the offense pursuant to 18 U.S.C. § 981(a)(1)(C). *See id.* at 5. Indictment alleged that the property subject to forfeiture as a result of the alleged offense includes, but is not limited to: a forfeiture money judgment in the sum of \$1,682,801.66, which sum represents the value of any property which constitutes or is derived from proceeds traceable to such offense, among other assets. *Id.*

On February 4, 2025, the Court accepted the Defendant’s guilty plea to the Information. *See* Minute Entry, ECF No. 13; Plea Agreement ¶ 1, ECF No. 14. As part of the guilty plea, the

Defendant agreed to the forfeiture of any property, real or personal, which constitutes or is derived from proceeds traceable to the commission of the offense to which he pled guilty pursuant to 18 U.S.C. § 981(a)(1)(C). Plea Agreement ¶ 11, ECF No. 14. The defendant further agreed to the entry a forfeiture money judgment in a sum no less than \$1,152,614.34 in United States currency, which sum represents the value of any property that constitutes or is derived from proceeds traceable to the commission of the Defendant's offense. *Id.*

In support of the guilty plea, the Defendant executed a Factual Proffer, and the Court found that there was a factual basis to support the Defendant's conviction. *See* Factual Proffer, ECF No. 14-1. The Factual Proffer provided a factual basis for the forfeiture. *Id.*

According to the Defendant's Factual Proffer, the Defendant was a member of Company A from November 27, 2017, until April 7, 2023. From November 27, 2017, until at least August 22, the Defendant worked as Vice President and Controller. Factual Proffer at 1, ECF No. 14-1. Company A is a consumer-packaged goods company that is headquartered in Boca Raton, Florida. *Id.* Company A's shares are securities that are publicly traded on a national securities exchange. *Id.*

As an employee at Company A, Defendant was subject to Company A's Insider Trading Policy that, among other things, prohibited Company A employees from trading in Company A's securities if an employee had material non-public information ("MNPI") regarding Company A. *Id.*

Defendant's last day of employment at Company A was April 7, 2023, and on that day, the Defendant was aware that he was in possession of MNPI regarding, among other things, Company A's financial performance during the first three months of 2023. *Id.* at 2.

On Monday, April 10, 2023, and continuing through May 8, 2023, the Defendant purchased

20,000 shares of Company A at prices ranging from \$85.72 to \$106.45 per share in his E*TRADE brokerage account (ending in *1163) on the basis of MNPI. *Id.* at 3. The Defendant also purchased a series of call options on the basis of MNPI. *Id.* On April 13, 2023, in his Merrill Lynch brokerage account (ending in *9K75), the Defendant purchased 100 Company A at \$4.00 per contract and 100 Company A May 19, 2023, \$105 call options at \$1.75 per contract, and on April 20, 2023, in his E*TRADE brokerage account, the Defendant purchased 100 Company A May 19, 2023 \$100 call options at \$2.50 per contract. *Id.*

On May 9, 2023, after the close of the market, Company A publicly reported better than expected earnings and sales for the quarterly period ending March 31, 2023, including an all-time quarterly record in revenue. *Id.* After the news of Company A's financial performance became public, Company A's stock price went up significantly. *Id.*

During the next trading day, May 10, 2023, in his E*TRADE brokerage account, the Defendant sold the \$100 call option contracts at \$30 per contract and all 20,000 shares at prices ranging from \$130.70 and \$133.03 per share, resulting in a profit of approximately \$1,085,566.90. *Id.* Also, on May 10, 2023, in his Merrill Lynch brokerage account, the Defendant sold the \$95 and \$105 call option contracts at \$37.50 and \$28.00 per contract, resulting in a profit of approximately \$597,234.76.

Therefore, based on the record in this case, the total value of the proceeds traceable to the offense of conviction is \$1,682,801.66, which sum may be sought as a forfeiture money judgment pursuant to Rule 32.2 of the Federal Rules of Criminal Procedure.


Accordingly, based on the foregoing, the evidence in the record, and for good cause shown, the Motion is **GRANTED**, and it is hereby **ORDERED** that:

1. Pursuant to 18 U.S.C. § 981(a)(1)(C), 21 U.S.C. § 853, and Rule 32.2 of the Federal Rules of Criminal Procedure, a forfeiture money judgment in the amount of \$1,682,801.66 is entered against the Defendant.

2. Pursuant to Rule 32.2(b)(4) of the Federal Rules of Criminal Procedure, this Order is final as to the Defendant.

3. The Court shall retain jurisdiction in this matter for the purpose of enforcing this Order, and pursuant to Rule 32.2(e)(1) of the Federal Rules of Criminal Procedure, shall amend this Order, or enter other orders as necessary, to forfeit additional specific property when identified.

DONE AND ORDERED in Fort Lauderdale, Florida, this 5th day of March 2025.


WILLIAM P. DIMITROULEAS
United States District Judge