

UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA  
PITTSBURGH DIVISION

SECURITIES AND EXCHANGE	)	
COMMISSION,	)	
	)	
Plaintiff,	)	Electronically Filed
	)	
v.	)	Case No: 2:08-cv-01367-AJS
	)	
JOSEPH J. QUERI, JR.,	)	Judge Arthur J. Schwab
JOSEPH J. QUERI, SR.,	)	
JAMES L. JEROME,	)	
BRANDT A. ENGLAND,	)	
KYLE D. KACZOWSKI,	)	
GINO FERRARO,	)	
FRANKO J. MARRETTI,	)	
FELIX CRISAFULLI, and	)	
THOMAS HELLER	)	
	)	
Defendants.	)	

**COMPLAINT**

Plaintiff, Securities and Exchange Commission (“Commission”), alleges the following:

**SUMMARY**

1. This is an insider trading case. Defendant Joseph J. Queri, Jr., the Senior Vice President of Real Estate at Dick’s Sporting Goods, Inc., misappropriated material, nonpublic information from his company about its plans to acquire Galyan’s Trading Company, Inc. On or about June 10, 2004, Queri Jr. tipped defendant Joseph J. Queri, Sr. about the acquisition. Queri Sr. then tipped his friends, defendants James L. Jerome, Kyle D. Kaczowski, Gino Ferraro, Felix Crisafulli and Thomas Heller, who all bought shares of Galyan’s stock. Jerome, in turn, tipped defendant Brandt A. England, who also traded. Kaczowski tipped two friends, who traded. Ferraro tipped his son-in-law, defendant Franko J. Marretti, who traded and tipped a business colleague.

2. About one week later, on June 21, 2004, Dick's publicly announced its intention to acquire Galyan's for \$16.75 per share in cash via a tender offer. The day after the announcement, Galyan's stock closed at \$16.68, a 50% increase from the previous day's closing price of \$11.10. Defendant Queri Sr.'s friends and their colleagues sold their shares of Galyan's stock after the public announcement, collectively profiting in the amount of \$161,208.22. Defendant Ferraro then wrote a check to Queri Sr. for \$2,600.

3. Defendants Queri Jr., Queri Sr., Jerome, England, Kaczowski, Ferraro, Marretti, Crisafulli and Heller, directly and indirectly, engaged in and, unless enjoined, will continue to engage in transactions, acts, practices, and courses of business which violate Sections 10(b) and 14(e) of the Securities and Exchange Act of 1934 ("Exchange Act") [15 U.S.C. §§ 78j(b) and 78n(e)] and Rules 10b-5 and 14e-3 thereunder [17 C.F.R. §§ 240.10b-5 and 240.14e-3].

4. The Commission brings this action pursuant to Sections 21(d), 21(e) and 21A of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e) and 78u-1] seeking a permanent injunction, disgorgement of trading profits, plus prejudgment interest, and civil penalties.

### **JURISDICTION AND VENUE**

5. This Court has jurisdiction pursuant to Sections 21 and 27 of the Exchange Act [15 U.S.C. §§ 78u and 78aa].

6. Defendants, directly and indirectly, have made use of the: (1) means and instruments of transportation and communication in interstate commerce; (2) means and instrumentalities of interstate commerce; (3) mails; or (4) the facilities of a national securities exchange in connection with the transactions, acts, practices, and courses of business alleged herein within the jurisdiction of this Court and elsewhere.

## DEFENDANTS

7. **Joseph J. Queri, Jr.**, age 50, is a resident of Pittsburgh, Pennsylvania. From December 1992, through January 2005, he was employed by Dick's. In 2004, he was the company's Senior Vice President of Real Estate.

8. **Joseph J. Queri, Sr.**, age 78, is a resident of Las Vegas, Nevada. He is Queri Jr.'s father. He is a retired professional gambler. At all relevant times, he was friends with Jerome, Kaczowski, Ferraro, Crisafulli and Heller.

9. **James L. Jerome**, age 55, is a resident of Henderson, Nevada. At all relevant times, he was friends with England.

10. **Brandt A. England**, age 45, is a resident of Las Vegas, Nevada. He owns a gentlemen's club.

11. **Kyle D. Kaczowski**, age 54, is a resident of Las Vegas, Nevada. He is a property manager and a professional gambler.

12. **Gino M. Ferraro**, age 54, is a resident of Las Vegas, Nevada. He is the general manager and wine director of a restaurant.

13. **Franko J. Marretti, III**, age 36, is a resident of Las Vegas, Nevada. He is Ferraro's son-in-law. He owns several real estate development companies.

14. **Felix A. Crisafulli**, age 66, is a resident of Las Vegas, Nevada and a professional gambler.

15. **Thomas M. Heller**, age 61, is a resident of Mission Viejo, California. He owns a restaurant.

## **RELEVANT ENTITIES**

16. Galyan's Trading Company, Inc., was an Indiana corporation based in Plainfield, Indiana. It was a sporting goods retailer. Its common stock was registered with the Commission pursuant to Section 12(g) of the Exchange Act [15 U.S.C. § 78l(g)] until approximately July 30, 2004, and was traded on the NASDAQ National Market System.

17. Dick's Sporting Goods, Inc., is a Delaware corporation based in Pittsburgh, Pennsylvania. It is a sporting goods retailer. Its common stock is registered with the Commission pursuant to Section 12(b) of the Exchange Act [15 U.S.C. § 78l(b)] and is traded on the New York Stock Exchange.

## **QUERI JR. KNEW MATERIAL, NONPUBLIC INFORMATION ABOUT HIS COMPANY'S PLANS TO ACQUIRE GALYAN'S**

18. On or about April 1, 2004, representatives from Dick's contacted the majority shareholder of Galyan's about potentially acquiring Galyan's. Defendant Queri Jr. knew that Dick's was seeking to acquire Galyan's. In April of 2004, the CEO of Dick's took Queri Jr. and his staff to an off-site location to discuss the logistics of the potential acquisition. During that meeting, Queri Jr. and his staff were told that information about the proposed acquisition was confidential.

19. By April 26, 2004, Dick's had sent Galyan's drafts of a merger agreement, a shareholder tender agreement, a confidentiality agreement and a written request seeking additional information. At a senior staff meeting in late April or early May, Queri Jr. learned that Dick's had signed a confidentiality agreement with Galyan's.

20. By May 14, 2004, representatives of Dick's and Galyan's had discussed the proposed merger agreement and shareholder tender agreement, and the Galyan's board had

authorized an investment banker to discuss with Dick's, among other things, the price per share Dick's would pay in the proposed acquisition.

21. From May 27 through June 21, 2004, representatives of Dick's and Galyan's negotiated the merger and shareholder tender agreements and a purchase price.

22. Queri Jr. learned about the negotiations by talking almost daily with other senior managers and by attending weekly senior staff meetings. By early June 2004, Queri Jr. concluded that the proposed acquisition was going to occur because the negotiations were proceeding without setbacks.

23. During the period from June 11 through June 15, 2004, Galyan's, Dick's and their respective counsel discussed occupancy costs and restrictions on the use of Galyan's stores. Dick's also formally engaged an investment banker.

24. On June 21, 2004, the Galyan's board agreed to accept the Dick's proposal to purchase Galyan's for \$16.75 per share in cash. That day, after the close of trading, Dick's announced that it had entered into a definitive agreement and plan of merger to acquire all of the issued and outstanding stock of Galyan's for \$16.75 per share in cash. Dick's also announced that the acquisition was structured as a cash tender offer and that it expected to commence the tender offer for Galyan's shares on June 28, 2004.

25. On June 22, 2004, the day after the announcement, Galyan's stock closed at \$16.68, a 50.3% increase from the previous day's closing price of \$11.10. During the three weeks prior to the announcement, Galyan's stock closed at prices ranging from \$10.81 to \$11.16 per share.

26. At all relevant times, defendant Queri Jr. understood that he was subject to the insider trading policy at Dick's, which generally prohibited him from disclosing material,

nonpublic information about potential mergers or acquisitions to outsiders. Senior managers specifically instructed him on at least two occasions that information about the proposed acquisition of Galyan's by Dick's was confidential.

**QUERI JR. DISCLOSED MATERIAL, NONPUBLIC  
INFORMATION ABOUT THE ACQUISITION TO QUERI SR.**

27. Defendants Queri Jr. and Queri Sr. spoke regularly by telephone and visited one another from time to time. Queri Jr. routinely gave his father money for living expenses.

28. On Thursday evening, June 10, 2004, Queri Jr. called Queri Sr. and spoke to him for 11 minutes. During that conversation or others, Queri Jr. disclosed to Queri Sr. material, nonpublic information about his company's plans to acquire Galyan's.

29. Queri Jr. breached his duty of trust and confidence to Dick's and its shareholders by disclosing material, nonpublic information to Queri Sr. As set forth more fully below, Queri Sr. then tipped his friends, who traded on the information and tipped others.

30. During an initial investigation by the Financial Industry Regulatory Authority ("FINRA"), Queri Jr. falsely stated that he did not receive any information about the content or progress of the negotiations until the night before the acquisition was publicly announced and that he did not disclose any information about the acquisition to his father.

**QUERI SR. AND HIS FRIENDS  
IMPROPERLY TRADED SHARES OF GALYAN'S STOCK**

31. Defendant Queri Sr. disclosed the material, nonpublic information about the acquisition that he received from defendant Queri Jr., even though he knew or should have known that Queri Jr. had misappropriated that information in breach of his fiduciary duty to his employer.

32. After his conversation with Queri Jr. on Thursday, June 10, Queri Sr. spoke in person or on the telephone to defendants Jerome, Kaczowski, Ferraro and Crisafulli, who all bought shares of Galyan's stock on Monday, June 14, 2004. The markets were closed on Friday, June 11 for President Reagan's funeral, so Monday was the first opportunity for Queri Sr.'s friends to purchase the stock after speaking with him. As set forth more fully below, there is a connection between the telephone calls and the trading and all of the defendants' trading was out of the ordinary. None of the defendants had previously owned or traded shares of Galyan's stock.

33. Defendants Jerome, Kaczowski, Ferraro, Crisafulli and Heller sold their shares of Galyan's stock the day after Dick's publicly announced the tender offer. They collectively profited \$161,208.22. Ferraro's wife then wrote a check to Queri Sr. for \$2,600.

34. The following chart summarizes the improper trading:

Tippee	Purchase Date	# of Shares Bought	Purchase Price per share	Total Purchase Price	Sale Date	Sale Price per Share	Profit	
Jerome	Mon, June 14	8,400	\$11.13 to \$11.17	\$93,796.28	June 22	\$16.68 and \$16.69	\$46,245.69	
England	Mon, June 14	3,000	\$11.00	\$99,074.00	June 22	\$16.66 to \$16.73	\$51,158.20	
	Tues, June 15	3,500	\$11.11 to \$11.19		July 12	\$16.69		
	Wed, June 16	1,000	\$10.90					
	Thurs, June 17	1,500	\$10.70					
Kaczowski	Mon, June 14	2,500	\$11.01	\$38,274.95	June 22	\$16.71	\$20,193.73	
	Mon, June 21	1,000	\$10.71					
	Kaczowski Friend 1	Mon, June 14	1,000					\$11.15
Kaczowski Friend 2	Wed, June 16	900	\$11.00	\$10,037.79	June 22	\$16.67	\$4,789.98	
Ferraro	Mon, June 14	2,500	\$11.10	\$28,151.95	June 22	\$16.66	\$13,092.12	
	Marretti	Mon, June 14	1,750	\$11.11	\$19,498.00	June 22 July 23	\$16.65 \$16.70	\$9,552.41
		Marretti Friend	Mon, June 14	15,000	\$11.17 and \$11.19	\$279,598.56	June 22	\$16.71
			Wed, June 16	10,000	\$11.00			
Crisafulli	Mon, June 14	2,500	\$11.08 to \$11.11	\$28,082.64	June 23 Aug 18	\$16.65 \$16.75	\$13,327.04	
Heller	Wed, June 16	1,500	\$11.01 and \$11.02	\$16,905.98	June 22	\$16.68	\$7,639.03	



**A. James Jerome Traded and Tipped Brandt England**

35. Defendant Queri Sr. tipped his friend, defendant Jerome, who then traded and tipped his friend defendant England.

**1. James Jerome**

36. Defendants Jerome and Queri Sr. are friends and have known each other for many years. They originally met in Syracuse and then maintained their friendship when Jerome moved to Las Vegas.

37. At all relevant times, Jerome knew Queri Jr. and knew that he had a connection to Dick's.

38. Queri Sr. spoke to Jerome on the telephone twice on Friday, June 11. During those conversations or others, Queri Sr. disclosed material, nonpublic information about the acquisition to Jerome. Jerome knew or should have known that the information had been provided in breach of a fiduciary duty to Dick's.

39. On Monday, June 14, 2004, Jerome spent \$93,796.28 to buy 8,400 shares of Galyan's stock. That day, Jerome sold the other assets in his brokerage account to cover a portion of this purchase and bought the rest on margin, which means that Jerome borrowed money from his brokerage firm to fund the purchase.

40. Jerome was an infrequent trader, having executed only eight stock transactions in 2002, five stock transactions in 2003, and no stock transactions in 2004 before he sold his holdings in order to buy Galyan's stock. From May 2000 to June 2004, Galyan's was Jerome's largest stock purchase.

41. On June 22, Jerome sold his Galyan's stock for a profit of \$46,245.69.

42. As set forth more fully below, defendant Jerome also tipped his friend, defendant England. Jerome knew or should have known that he was passing on information that had been obtained in breach of a fiduciary duty.

**2. Brandt England**

43. England and Jerome are friends or business colleagues, who spoke to each other regularly by telephone during June 2004.

44. On Friday, June 11, 2004, after Jerome spoke to Queri Sr., Jerome spoke to England on the telephone three times. During those conversations or others, Jerome disclosed material, nonpublic information about the acquisition to England. England knew or should have known that the information had been provided in breach of a fiduciary duty.

45. On Monday morning, June 14, England placed his first order to buy shares of Galyan's stock. England bought Galyan's stock each day from June 14 to June 17, for a total purchase price of \$99,074.

46. England was an infrequent trader during the two years before his Galyan's purchases. He executed no stock transactions from July 2002 through December 2002, seven stock transactions in 2003 and three stock transactions from January 2004 through June 13, 2004. None of England's stock purchases during this period was larger than \$15,000.

47. On June 22, England sold 8,353 of his 9,000 shares of Galyan's stock. On July 12, he sold the rest of his shares. England profited \$51,158.20 from his Galyan's trading.

**B. Kyle Kaczowski Traded and Tipped Two Friends**

48. Defendant Queri Sr. tipped his friend defendant Kaczowski, who then traded and tipped two friends, Kaczowski Friend 1 and Kaczowski Friend 2.

**1. Kyle Kaczowski**

49. Defendants Kaczowski and Queri Sr. met approximately ten years ago on a golf course in Las Vegas and have since become close friends. They play golf together, dine together, take trips together and Queri Sr. attends Kaczowski's family functions.

50. At all relevant times, Kaczowski knew Queri Jr. and knew that he had a connection to Dick's.

51. Queri Sr. spoke to Kaczowski on the telephone on Friday morning, June 11, and Saturday afternoon, June 12, 2004. During those conversations or others, Queri Sr. disclosed material, nonpublic information about the acquisition to Kaczowski. Kaczowski knew or should have known that the information had been provided in breach of a fiduciary duty to Dick's. On Monday morning, June 14, Kaczowski bought 2,500 shares of Galyan's stock.

52. Kaczowski also spoke with Queri Sr. on Saturday morning, June 19. On the following Monday morning, June 21, Kaczowski bought 1,000 more shares of Galyan's stock.

53. In total, Kaczowski spent \$38,274.95 to buy 3,500 shares. He sold other stock in his brokerage account to purchase the shares.

54. On June 22, Kaczowski sold his Galyan's stock for a profit of \$20,193.73.

55. As set forth more fully below, defendant Kaczowski also tipped two friends, Kaczowski Friend 1 and Kaczowski Friend 2, who also bought shares of Galyan's stock.

Kaczowski knew or should have known that he was passing on information that had been obtained in breach of a fiduciary duty.

**2. Kaczowski Friend 1**

56. Kaczowski Friend 1 is a real estate investor and professional gambler. He and defendant Kaczowski are friends. They have attended each other's family functions and talk on a regular basis.

57. On June 14, 2004, Kaczowski Friend 1 bought 1,000 shares of Galyan's stock. Kaczowski Friend 1 spoke with Kaczowski on the telephone the day before his purchase and also immediately before he placed his order. During these conversations, Kaczowski disclosed material, nonpublic information about the acquisition to Kaczowski Friend 1.

58. On June 22, Kaczowski Friend 1 sold his Galyan's stock for a profit of \$5,151.11.

**3. Kaczowski Friend 2**

59. Kaczowski Friend 2 is a real estate broker. He and defendant Kaczowski are friends, and have known each other for fifteen years.

60. On June 16, 2004, Kaczowski Friend 2 opened a brokerage account and bought 900 shares of Galyan's stock. The day before, Kaczowski Friend 2 spoke with Kaczowski three times. During these conversations, Kaczowski disclosed material, nonpublic information about the acquisition to Kaczowski Friend 2.

61. On June 22, Kaczowski Friend 2 sold his Galyan's stock for a profit of \$4,789.98.

**C. Gino Ferraro Traded and Tipped Franko Marretti**

62. Defendant Queri Sr. tipped his friend defendant Ferraro, who traded and tipped his son-in-law, defendant Marretti. Marretti then tipped his friend and business associate, Marretti Friend 1.

**1. Gino Ferraro**

63. Defendants Queri Sr. and Ferraro met over fifteen years ago when Queri Sr. moved to Las Vegas. They have since become close friends and play golf together. Queri Sr. knows Ferraro's children, attends Ferraro's family functions and frequently dines at Ferraro's restaurant.

64. At all relevant times, Ferraro was also friends with Queri Jr. and knew that Queri Jr. had a connection to Dick's.

65. On Friday, June 11 and Saturday, June 12, 2004, Ferraro spoke with Queri Sr. by telephone. During those conversations or others, Queri Sr. disclosed material, nonpublic information about the acquisition to Ferraro. Ferraro knew or should have known that this information had been provided in breach of a fiduciary duty to Dick's.

66. On Friday, June 11, Ferraro opened a brokerage account. On Monday, June 14, Ferraro spent \$28,151.95 to buy 2,500 shares of Galyan's stock in his new account.

67. On June 22, Ferraro sold his Galyan's stock for a profit of \$13,092.12. Ferraro's wife wrote a check to Queri Sr. dated July 12, in the amount of \$2,600, which represented approximately 20% of his trading profits.

68. As set forth more fully below, defendant Ferraro also tipped his son-in-law, Marretti, who bought shares of Galyan's stock. Ferraro knew or should have known that he was passing on information that had been obtained in breach of a fiduciary duty to Dick's.

**2. Franko Marretti**

69. Defendant Marretti is defendant Ferraro's son-in-law. From May to early October 2004, Marretti and his wife lived with Ferraro while they were building a home.

70. At all relevant times, Marretti knew Queri Sr. and Queri Jr. and knew that Queri Jr. had a connection to Dick's.

71. On June 14, 2004, Ferraro spoke with Queri Sr. on the telephone and then spoke with Marretti on the telephone. During that conversation or others, Ferraro disclosed material, nonpublic information about the acquisition to Marretti. Marretti knew or should have known that the information had been provided in breach of a fiduciary duty to Dick's.

72. On June 14, Marretti opened a brokerage account and spent \$19,498.00 to buy 1,750 shares of Galyan's stock.

73. On June 22, Marretti sold 1,725 of his Galyan's shares and on July 23, Marretti tendered 25 of his shares, for a total profit of \$9,552.41.

74. As set forth more fully below, defendant Marretti also tipped his friend and business colleague, Marretti Friend 1, who also bought shares of Galyan's stock. Marretti knew or should have known that he was passing on information that had been obtained in breach of a fiduciary duty.

### **3. Marretti Friend 1**

75. Defendant Marretti and Marretti Friend 1 have been business partners in real estate projects since the mid-1990s and are friends.

76. Marretti disclosed material, nonpublic information about the acquisition to Marretti Friend 1 during telephone conversations.

77. On June 14, 2004, Marretti Friend 1 bought 15,000 shares of Galyan's stock. He placed his order approximately 10 minutes after getting off the phone with Marretti, who had just placed his own purchase order.

78. On June 16, Marretti Friend 1 bought 10,000 more shares. Marretti Friend 1 placed this order in the morning, immediately after talking with Marretti. The day before, there was a series of phone calls involving Marretti Friend 1, Marretti, Ferraro and Queri Sr.

79. On June 22, Marretti Friend 1 sold his Galyan's stock for a profit of \$135,793.08.

**D. Felix Crisafulli**

80. Defendants Crisafulli and Queri Sr. have known each other for thirty-five to forty years, having originally met in Syracuse. They are close friends, play golf and dine together. Queri Sr. has attended family functions at Crisafulli's home.

81. Crisafulli has known Queri Jr. for twenty-five to thirty years. At all relevant times, Crisafulli knew that Queri Jr. had a connection to Dick's.

82. On June 14, 2004, Crisafulli spent \$28,082.64 to buy 2,500 shares of Galyan's stock. During conversations with Queri Sr. on the telephone or in person on or before Monday, June 14, 2004, Queri Sr. disclosed material, nonpublic information about the acquisition to Crisafulli. Crisafulli knew or should have known that the information had been provided in breach of a fiduciary duty to Dick's.

83. Crisafulli was an infrequent trader. He did not execute any transactions in his brokerage account from February 2003 until he bought shares of Galyan's stock in June 2004.

84. On June 23, Crisafulli sold 1,500 shares of Galyan's stock and on August 13, Crisafulli tendered 1,000 shares, for a total profit of \$13,327.04.

**E. Thomas Heller**

85. Defendants Queri Sr. and Heller are acquaintances who have known each other for seven to ten years. Queri Sr. is friends with Heller's roommate.

86. At all relevant times, Heller knew that Queri Sr.'s son had a connection to Dick's.

87. On June 12, 2004, Heller spoke on the telephone twice with Queri Sr. During those conversations or others, Queri Sr. disclosed material, nonpublic information about the acquisition to Heller. Heller knew or should have known that the information had been provided in breach of a fiduciary duty to Dick's.

88. On June 16, 2004, Heller spent \$16,905.98 to buy 1,500 shares of Galyan's stock, 500 shares in a shared account with his business partner, and 1,000 shares in an individual account.

89. Heller had only executed three stock transactions in his brokerage accounts during 2004, prior to purchasing Galyan's stock.

90. On June 22, Heller sold the 1,000 shares of Galyan's stock in his individual account for a profit of \$5,119.99 and the 500 shares of Galyan's stock in his joint account with his business partner for a profit of \$2,519.04.

### **CLAIM ONE**

#### **Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] Thereunder**

91. Paragraphs 1 through 90 are realleged and incorporated by reference as though fully set forth herein.

92. During the relevant time period, defendants Queri Jr., Queri Sr., Jerome, England, Kaczowski, Ferraro, Marretti, Crisafulli, and Heller, in connection with the purchase and sale of Galyan's securities, namely common stock, by use of the means and instrumentalities of interstate commerce and of the mails, directly and indirectly: employed devices, schemes and artifices to defraud; made untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which



they were made, not misleading; and engaged in acts, practices and courses of business which operated as a fraud and deceit upon purchasers and sellers of such securities.

93. The defendants acted with scienter when they engaged in the conduct alleged above.

94. As a result of the activities described above, defendants Queri Jr., Queri Sr., Jerome, England, Kaczowski, Ferraro, Marretti, Crisafulli, and Heller violated Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder.

### **CLAIM TWO**

#### **Section 14(e) of the Exchange Act [15 U.S.C. § 78n(e)] and Rule 14e-3 [17 C.F.R. § 240.14e-3] Thereunder**

95. Paragraphs 1 through 90 are realleged and incorporated by reference as though fully set forth herein.

96. After Dick's had taken a substantial step or steps to commence a tender offer for Galyan's stock, defendants Queri Jr., Queri Sr., Jerome, England, Kaczowski, Ferraro, Marretti, Crisafulli, and Heller, purchased or caused to be purchased Galyan's stock, while in possession of material information relating to such tender offer that they knew or had reason to know was nonpublic and knew or had reason to know had been acquired directly or indirectly from the offering company, Dick's, or an officer, director, partner, employee or other person acting on behalf of Dick's.

97. As a result of the activities described above, defendants Queri Jr., Queri Sr., Jerome, England, Kaczowski, Ferraro, Marretti, Crisafulli, and Heller violated Section 14(e) of the Exchange Act [15 U.S.C. § 78n(e)] and Rule 14e-3 [17 C.F.R. § 240.14e-3] thereunder.

## **RELIEF REQUESTED**

**WHEREFORE**, the Commission respectfully requests that the Court:

(a) find that defendants Queri Jr., Queri Sr., Jerome, England, Kaczowski, Ferraro, Marretti, Crisafulli, and Heller violated Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder;

(b) find that defendants Queri Jr., Queri Sr., Jerome, England, Kaczowski, Ferraro, Marretti, Crisafulli, and Heller violated Section 14(e) of the Exchange Act [15 U.S.C. § 78n(e)] and Rule 14e-3 [17 C.F.R. § 240.14e-3] thereunder;

(c) permanently enjoin defendants Queri Jr., Queri Sr., Jerome, England, Kaczowski, Ferraro, Marretti, Crisafulli, and Heller from violating Section 10(b) of the Exchange Act [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. § 240.10b-5] thereunder and Section 14(e) of the Exchange Act [15 U.S.C. § 78n(e)] and Rule 14e-3 [17 C.F.R. § 240.14e-3] thereunder;

(d) order defendants Queri Jr., Queri Sr., Jerome, England, Kaczowski, Ferraro, Marretti, Crisafulli, and Heller to pay to the Commission disgorgement of their ill-gotten gains and their tippees' ill-gotten gains resulting from the illegal trading alleged herein plus prejudgment interest;

(e) order defendants Queri Jr., Queri Sr., Jerome, England, Kaczowski, Ferraro, Marretti, Crisafulli, and Heller to pay civil penalties pursuant to Section 21A of the Exchange Act [15 U.S.C. § 78u-1]; and

(f) retain jurisdiction of this action in accordance with the principles of equity and the

Federal Rules of Civil Procedure in order to implement and carry out the terms of all orders and decrees that may be entered or to entertain any suitable application or motion for additional relief within the jurisdiction of this Court; and order such other relief as the Court may deem appropriate.

Respectfully submitted,

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