

SEC Enforcement Case Summary Trillium Capital Market Manipulation of Getty Images

On May 31, 2024, the Securities and Exchange Commission (**SEC**) charged Trillium Capital, and its owner, Robert Scott Murray, with a scheme to manipulate the stock price for Getty Images Holdings Inc. Trillium acquired a 12% interest in Getty's public stock float over an 18-month period between October 2022 and April 2023. Throughout that same period, Murray engaged in a series of posts and communications on social media and wrote letters to Getty's executives and Board of Directors, representing himself as an activist investor. Murray and Trillium issued multiple press releases designed to increase Getty's stock price and undertook efforts to be nominated to the Getty Board. While the initial press release did result in increased trading volume and prices for Getty shares, subsequent press releases did not have much, if any, effect on Getty's trading volume or stock price. After experiencing growing losses on the Getty investment as the stock price declined, Murray issued a fifth press release in April 2023, shortly before the market opened announcing that Trillium was offering to purchase Getty shares for nearly double the stock's prior closing price. While the proposed transaction would have required nearly \$4 billion in case, Trillium and Murray had nowhere close to that amount and the SEC alleges that Murray never contacted an investment banker or advisor to secure or even discuss financing prior to issuing the fake proposal. Getty's stock trading volume and price surged as the market opened and Murray began dumping his shares and options within the first hour into the inflated market.

In an interesting twist of fate, Murray reportedly recommended a friend also buy Getty stock. In advance of his manipulative press release, he encouraged her to wait and sell her shares of Getty stock, which she did and subsequently dumped her shares after the sham press release. Federal investors subsequently approached his friend and told her they were investigating her Getty trades. According to the SEC release, on a recorded line, she called Murray and told him that federal investigators had reached out. Murray encouraged her to lie and to tell the investigators that she and Murray never discussed Getty. Murray directed her to delete all his text messages from her phone and drafted a proposed written response to federal investigators that he knew was untrue. Murray purportedly lied to federal investigators, his broker, and the financial press regarding his activities. The case is being litigated, and the SEC has demanded a jury trial in the matter.

See Press Release – <https://www.sec.gov/news/press-release/2024-66>