JOSEPH DARRAGH, CFE

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Certified Fraud Examiner & Microcap Fraud Subject Matter Expert with 15+ years conducting complex financial crimes investigations.

SPECIALTIES Market Manipulation ◆ Unregistered Distributions ◆ Pump and Dumps

EXPERIENCE

Securities Fraud Investigator & Microcap Subject Matter Expert

APRIL 2022 – PRESENT

Independent Consultant

- Serves as an independent investigator on matters concerning violations of federal and state securities laws.
- Supports litigation teams through discovery strategy, document review, record analysis, and damages assessment.
- Provides expert opinions, affidavits, and testimony in matters involving the OTC markets and other small cap securities.
- Helps collect, assess, and develop evidence through document review, trading analysis, and witness interviews.
- Conducts market manipulation analysis using brokerage records and market-wide data, interpreting trading patterns and their price impact.
- Performs financial and bank record analysis to trace funds, determine profitability, and identify and quantify misappropriation.
- Leverages data analytics, natural language processing, and automation to streamline evidence review while keeping confidential case information secure.
- Participates in conference and industry panels on microcap fraud investigation techniques and prevention strategies.

Investigator & Program Analyst

SEPTEMBER 2013 – APRIL 2022

U.S. Securities & Exchange Commission

- Principal investigator for the Microcap Fraud Task Force in the Enforcement Division, specializing in securities fraud, market manipulation, and unregistered distributions.
- Identified and interpreted manipulative trading patterns, including matched orders, wash trades, marking the close, spoofing, and layering, and assessed their materiality and market impact using Electronic Bluesheet (EBS) data, audit trail data, and brokerage records.
- Conducted domestic and international cash flow analysis using bank records, Fedwire data, and CHIPS data to determine profitability and trace assets.
- Developed evidence through document review, witness interviews, testimony, and online and public records research.
- Prepared sworn declarations in support of emergency asset freezes, temporary restraining orders, and other enforcement actions.
- Built analytical tools, systems, and dashboards that integrated disparate data sources to streamline investigations and help inform the allocation of resources across the Enforcement Division.
- Coordinated parallel investigations and intelligence sharing with USAO, FBI, IRS Criminal Investigation, Homeland Security Investigations, FINRA, and securities regulators around the world.
- Microcap expert for the Consolidated Audit Trail (CAT) development, the Rule 15c2-11 amendment, the DARPA Memex Project, and the Dark Web Working Group, among other initiatives.
- Co-Chair, Microcap Fraud Working Group (2019–2022), led cross-functional teams to develop investigative strategies, allocate resources, and train staff on microcap fraud investigative techniques.

Revenue Officer

AUGUST 2009 – SEPTEMBER 2013

Internal Revenue Service

- Resolved delinquent tax collection cases by analyzing financial records, tracing assets, and conducting field interviews.

SPECIALIZED SKILLS

- **Investigative:** Securities fraud investigation, market manipulation analysis, identification and interpretation of manipulative trading patterns (matched orders, wash trades, marking the close, spoofing, layering), market impact and materiality assessment, document review, witness interviews, evidence collection and evaluation, expert witness declarations and testimony, open-source research.
- **Financial Analysis:** Bank record analysis, fund tracing, cash flow analysis, profitability analysis, and asset tracing.
- **Records & Data Sources:** Electronic Bluesheet (EBS), audit trail, best bid and offer, brokerage and transfer agent records, EDGAR and OTC Markets filings, Fedwire and CHIPS data, IP logs, telephone records, social media, and other public and private records.
- **Technology:** Excel, Python, SQL, data analytics, natural language processing, AI prompt engineering, automation, data visualization.

EDUCATION, MEMBERSHIPS & CERTIFICATIONS

- Bachelor's in Finance (minor in Economics), Pace University, 2009
- Master's in Accountancy, University of Phoenix, 2010
- Certified Fraud Examiner, 2013 to Present

List of SEC Matters at the *Securities and Exchange Commission*

YEAR	CASE NAME	PROCEEDING	SUBJECT	ROLE
2014	**SEC v. Galas et al.**	USDC WDWA 3:14-cv-05621	Market Manipulation	Investigator / Fact Witness
2014	**SEC v. Bandfield / IPC Corporate Services**	USDC EDNY 1:14-cv-05271	Offshore Beneficial Ownership Concealment	Investigator
2015	**SEC v. Ling**	USDC DNJ 15-cv-02179	Marking-the-Close	Investigator
2015	**SEC v. Kueber (Cynk Technology)**	USDC EDNY 1:15-cv-04479	Market Manipulation	Investigator
2016	**SEC v. St. Julien et al. (ForceField Energy)**	USDC EDNY 1:16-cv-02193	Kickback / Bribery	Investigator
2016	**SEC v. Contrarian Press, Fraser & Yeung**	USDC SDNY 1:16-cv-06964	Stock Promotion / Touting	Investigator / Fact Witness
2017	**SEC v. Lin and Chen**	USDC SDNY 1:17-cv-03054	Unregistered Distribution	Investigator / Fact Witness
2017	**SEC v. Farinella et al. (Pazoo)**	USDC DNJ 2:17-cv-04538	Market Manipulation	Investigator
2017	**SEC v. Almagarby & Microcap Equity Group**	USDC SDFL 0:17-cv-62255	Unregistered Dealer	Rebuttal Fact Witness
2018	**SEC v. Perlstein et al.**	USDC EDNY 1:18-cv-01026	Shell Factory	Investigator
2018	**SEC v. Beaufort Securities & Kyriacou**	USDC EDNY 1:18-cv-01317	Cross-Border Broker-Dealer Manipulation	Investigator
2018	**SEC v. Honig et al.**	USDC SDNY 1:18-cv-08175	Market Manipulation	Investigator
2019	**SEC v. Ortiz**	USDC SDNY 1:19-cv-02066	Investment Adviser Fraud	Investigator
2019	**SEC v. Chan, Chong, Fan, Lu & Wong**	USDC SDNY 1:19-cv-05718	Market Manipulation	Investigator / Fact Witness
2019	**SEC v. Lawler and Bannister**	USDC EDNY 1:19-cv-04025	Attorney / Gatekeeper Fraud	Investigator
2020	**SEC v. Bajic / Ciapala / Blacklight SA**	USDC SDNY 1:20-cv-00008	Cross-Border Manipulation	Investigator
2020	**SEC v. Debo**	USDC SDNY 1:20-cv-00006	Cross-Border Manipulation	Investigator
2020	**SEC v. Lisser (Knightsbridge Capital)**	USDC EDNY 1:20-cv-05798	Boiler Room	Investigator
2021	**SEC v. Muller**	USDC SDNY 1:21-cv-06048	Market Manipulation	Investigator