



Department of Justice

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NEWARK MEN SENTENCED ON INSIDER TRADING CHARGES

United States Attorney Charles M. Oberly, III, announced today that Jeffery Temple, age 40, of Newark, DE, was sentenced late on Tuesday, June 28, in the U.S. District Court in Wilmington to a term of twelve months and one day of imprisonment following his guilty plea to one count of securities fraud. U.S. District Judge Sue L. Robinson also sentenced Temple to two years of supervised release following his prison term. Earlier this month, Temple agreed to pay the government \$82,957 as part of the settlement of a parallel civil case brought by the Securities and Exchange Commission.

Temple's brother-in-law and co-defendant, Benedict Pastro, was sentenced by Judge Robinson on Monday to two years of probation for his role in the insider trading scheme. According to statements made during that proceeding, Mr. Pastro had cooperated with the government's investigation.

According to the indictment, documents filed in court, and statements made during the sentencing hearings, during the period from June 2009 through September 2010, the defendants engaged in a scheme to conduct securities trades based on material, non-public information which Temple would obtain by virtue of his position as a network manager for Richards, Layton & Finger, a Wilmington law firm. The inside information that Temple obtained related to upcoming public announcements of mergers and acquisitions involving clients of the law firm. Temple would share the information with Pastro, and both defendants would purchase stocks and options prior to the public announcements at issue. Temple used his computer at the firm to create and manage his online stock trading account and, more specifically, to place orders in the suspect securities. During this time, the defendant engaged in such insider trading with respect to over eighteen different public company merger/acquisition announcements, and collectively obtained at least \$180,000 in illegal profits.

The investigation of Temple and Pastro was conducted by the FBI, along with the staff of the Philadelphia Regional Office of the U.S. Securities and Exchange Commission. U.S. Attorney Oberly praised the work of the FBI in investigating this matter, and thanked the SEC's Philadelphia Regional Office for its invaluable assistance.

The case was investigated by FBI Special Agent Jennifer Ferry and was prosecuted by Assistant United States Attorneys Keith M. Rosen and Shawn A. Weede.

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