



*United States Attorney  
Southern District of New York*



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**CRAIG DRIMAL SENTENCED IN MANHATTAN FEDERAL COURT  
TO 66 MONTHS IN PRISON FOR INSIDER TRADING**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that CRAIG DRIMAL was sentenced today in Manhattan federal court to 66 months in prison for his participation in an insider trading scheme in which he obtained and traded on material, nonpublic information ("Inside Information"), including information misappropriated from the law firm of Ropes & Gray. DRIMAL pled guilty to five counts of securities fraud and one count of conspiracy on April 26, 2011. U.S. District Judge RICHARD J. SULLIVAN imposed today's sentence.

According to the Indictment, a Complaint previously filed in this case, and statements made during the guilty plea proceeding:

In 2007 and 2008, DRIMAL obtained Inside Information from ZVI GOFFER and others about several mergers and acquisitions of public companies, and traded based on that information. The Inside Information included information provided by two Ropes & Gray attorneys, ARTHUR CUTILLO and BRIEN SANTARLAS, regarding the potential acquisition of 3Com Corporation and the potential acquisition of Axcan Pharma, Inc., ("Axcan"). CUTILLO and SANTARLAS delivered the Inside Information to JASON GOLDFARB, another attorney, who provided the Inside Information to GOFFER. GOFFER then delivered it to DRIMAL, who executed trades based on the Inside Information. DRIMAL also traded in the stock of Hilton Hotels Corporation based on Inside Information. He made combined profits exceeding \$10 million based on these trades. Following the public announcement of the acquisition of Axcan, DRIMAL delivered a cash payment to GOFFER for the Axcan tip.

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In addition to the prison term, Judge SULLIVAN sentenced DRIMAL, 55, of Weston, Connecticut, to prison and three years of supervised release, and ordered him to

pay forfeiture in the amount of \$11 million and a \$600 special

CUTILLO, GOLDFARB, and SANTARLAS previously pled guilty to conspiracy and securities fraud charges in connection with this scheme. ZVI GOFFER was convicted after a one month jury trial of conspiracy and securities fraud charges for his role in the scheme. CUTILLO was sentenced to 30 months in prison; GOLDFARB was sentenced to 36 months in prison; SANTARLAS's sentencing is scheduled for October 28, 2011, at 2:30 p.m.; and ZVI GOFFER's sentencing is scheduled for September 21, 2011, at 2:00 p.m.

Mr. BHARARA praised the investigative work of the FBI and thanked the SEC for its assistance with the investigation.

This case was brought in coordination with President BARACK OBAMA's Financial Fraud Enforcement Task Force, on which Mr. BHARARA serves as a Co-Chair of the Securities and Commodities Fraud Working Group. President OBAMA established the interagency Financial Fraud Enforcement Task Force to wage an aggressive, coordinated, and proactive effort to investigate and prosecute financial crimes. The task force includes representatives from a broad range of federal agencies, regulatory authorities, inspectors general, and state and local law enforcement who, working together, bring to bear a powerful array of criminal and civil enforcement resources. The task force is working to improve efforts across the federal executive branch, and with state and local partners, to investigate and prosecute significant financial crimes, ensure just and effective punishment for those who perpetrate financial crimes, combat discrimination in the lending and financial markets, and recover proceeds for victims of financial crimes.

Assistant U.S. Attorneys ANDREW FISH, REED BRODSKY, and RICHARD TARLOWE are in charge of the prosecution.

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