



*United States Attorney  
Southern District of New York*



FOR IMMEDIATE RELEASE  
AUGUST 19, 2011

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**ATTORNEY SENTENCED IN MANHATTAN FEDERAL COURT TO THREE  
YEARS IN PRISON FOR INSIDER TRADING SCHEME**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that attorney JASON GOLDFARB was sentenced today in Manhattan federal court to three years in prison for his participation in an insider trading scheme in which he gave material, nonpublic information ("Inside Information") that had been misappropriated from the law firm of Ropes & Gray to ZVI GOFFER for the purpose of securities trading. GOLDFARB pled guilty to one count of conspiracy and one count of securities fraud on April 21, 2011. U.S. District Judge RICHARD J. SULLIVAN imposed today's sentence.

According to the charging documents and court proceedings in this case:

In 2007 and 2008, ARTHUR CUTILLO and BRIEN SANTARLAS, who were working as attorneys at Ropes & Gray, provided GOLDFARB with Inside Information about several mergers and acquisitions of public companies for which Ropes & Gray was providing legal services. GOLDFARB, in turn, delivered the Inside Information to GOFFER, a former hedge fund manager. GOFFER then executed securities transactions based on the Inside Information and passed it to other people who also used it to execute securities transactions.

The Inside Information included information regarding the potential acquisition of 3Com Corporation ("3Com") and the potential acquisition of Axcan Pharma, Inc. ("Axcan"). In exchange for providing GOFFER the Inside Information, GOLDFARB, CUTILLO, and SANTARLAS received cash payments.

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In addition to the prison term, Judge SULLIVAN sentenced GOLDFARB, 33, of New York, New York, to \_\_\_\_\_ years of supervised release. GOLDFARB was ordered to pay a \$32,500 fine

and a \$200 special assessment fee. Judge SULLIVAN also imposed an order of forfeiture for \$ amount of foreseeable proceeds obtained as a result of the securities fraud offenses.

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

Mr. BHARARA praised the investigative work of the FBI. He also thanked the U.S. Securities and Exchange Commission 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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