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**FORMER SOCIÉTÉ GÉNÉRALE TRADER SENTENCED IN MANHATTAN
FEDERAL COURT TO 36 MONTHS IN PRISON FOR STEALING
BANK'S TRADE SECRETS**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that SAMARTH AGRAWAL, a former trader at Société Générale ("SocGen"), was sentenced in Manhattan federal court to 36 months in prison for theft of trade secrets and interstate transportation of stolen property charges. AGRAWAL was found guilty on November 19, 2010, by a jury of stealing proprietary computer code used in SocGen's high-frequency trading business and of interstate transportation of the stolen code. U.S. District Judge JED S. RAKOFF imposed the sentence on AGRAWAL.

Manhattan U.S. Attorney PREET BHARARA said: "Aggressive protection of intellectual property is essential to America's current economic prosperity and future success. Today's sentence confirms that theft of intellectual property by people like Agrawal is a serious, federal offense that can lead to substantial jail time."

According to the evidence presented at trial and at the sentencing hearing:

From March 2007 to November 2009, AGRAWAL worked at SocGen's New York offices, first as a quantitative analyst and then as a trader in SocGen's High Frequency Trading Group. Over the past several years, SocGen has spent millions of dollars developing a computer system and associated computer code (the "Code") that allowed SocGen to engage in sophisticated, high-speed trading on various securities markets. The Code and its associated trading programs have generated millions of dollars in profits for SocGen. SocGen has taken several steps to protect the confidentiality of the Code, including limiting access to only those employees whose jobs require it, and then to only those portions of the Code related to their job; monitoring its computer systems and restricting electronic transfers outside of

its computer systems; and preventing the computers used by individuals in the High Frequency Trading Group from making portable electronic copies of the Code.

In April 2009, AGRAWAL was promoted to the position of trader within SocGen's High Frequency Trading Group. On Friday, June 12, 2009, AGRAWAL obtained access to a unit of the Code relating to the type of trading activity in which he was involved ("Unit A"). The next day, he printed out hundreds of pages of Unit A Code from his office at SocGen. He was caught on surveillance cameras stashing the printouts of the Code in a backpack. He then took the Code from SocGen's New York offices to his home in New Jersey.

Before he obtained access to the Code, printed it out, and took it home, AGRAWAL had been trying to leave SocGen to find more lucrative work at another company that engaged in high-frequency trading. In particular, he was negotiating with Tower Capital Research LLC ("Tower"), a proprietary trading group and hedge fund, to develop a high-frequency trading system for Tower. During a meeting on June 8, 2009, with partners of Tower, he claimed he had a complete understanding of SocGen's Unit A trading system and said that he wanted to build a copy of the same trading system at Tower.

In early July 2009, the Tower partners offered AGRAWAL a job which would have paid him a total of \$575,000 up front plus 20% of the profits generated by the copy of SocGen's Unit A trading system that he intended to build at Tower. AGRAWAL agreed to these terms in principal in August 2009. Between June and November 2009, he met repeatedly with the Tower partners and other employees and disclosed confidential details of SocGen's trading system to them.

On November 17, 2009, AGRAWAL submitted a letter of resignation to his supervisor at SocGen. In the months that followed, until he was supposed to start work at Tower in April 2010, he disclosed to Tower employees further details of SocGen's trading system that he obtained from the Unit A Code he had printed out and taken home, in order to give Tower employees guidance on the structure of the high-frequency trading system he wanted them to build.

AGRAWAL was arrested on April 19, 2010, the day he was supposed to start work at Tower. A subsequent search of his apartment revealed the copy of the stolen Code, which was neatly organized in folders on his desk.

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In addition to the prison sentence, Judge RAKOFF ordered AGRAWAL to serve two years of supervised release following his prison sentence.

Mr. BHARARA praised the investigative work of the FBI in this case. Mr. BHARARA also thanked Société Générale for its cooperation in the investigation.

This case is being prosecuted by the Office's Complex Frauds Unit. Assistant U.S. Attorneys THOMAS G.A. BROWN and DANIEL W. LEVY are in charge of the prosecution.

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