



***United States Attorney
Southern District of New York***

**FOR IMMEDIATE RELEASE
May 3, 2007**

**CONTACT: U.S. ATTORNEY'S OFFICE
YUSILL SCRIBNER,
REBEKAH CARMICHAEL
PUBLIC INFORMATION OFFICE
(212) 637-2600**

**FBI
NEIL DONOVAN, JIM MARGOLIN
PUBLIC INFORMATION OFFICE
(212) 384-2715, 2720**

**CREDIT SUISSE INVESTMENT BANKER
ARRESTED FOR INSIDER TRADING**

*Trading on Tips About Nine Credit Suisse Client Merger
Transactions Netted Over \$7 Million In Proceeds*

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, and MARK J. MERSHON, the Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation ("FBI"), announced today that HAFIZ MUHAMMAD ZUBAIR NASEEM, 37, a resident of Rye Brook, New York, was arrested today on charges of engaging in an insider trading scheme by which he and a co-conspirator engaged in dozens of stock trades based on material non-public information regarding nine merger transactions. The scheme allegedly netted over \$7 million in proceeds. According to the twenty-six count Complaint filed in Manhattan federal court:

The Insider Trading Scheme

From April 2006 through February 2007, NASEEM and others participated in a scheme to defraud by executing securities transactions based on material, nonpublic information regarding forthcoming announcements relating to acquisitions of the following nine publicly traded companies: Northwestern Corporation, Energy Partners, Ltd., Veritas DGC Inc., Jacuzzi Brands, Inc., Trammell Crow Co., Hydril Company, Caremark RX, Inc., John H. Harland Co., and TXU Corp. (these companies are collectively referred to as the "Issuers" and the securities in these companies are collectively referred to as the "Subject

Securities").

Credit Suisse was engaged to advise either the target company or the acquiring entity in connection with business combination transactions involving the Issuers (the "Subject Transactions"). NASEEM, who was a member of Credit Suisse's Global Energy Group, worked at a desk at Credit Suisse's offices in New York, New York, that was situated in close proximity to other members of the Global Energy Group. Because many of the Subject Transactions were staffed by members of the Global Energy Group, NASEEM had access to information about these transactions by virtue of his membership in the Global Energy Group. Furthermore, NASEEM's desk was situated near a printer that was used in connection with certain of the Subject Transactions that were not staffed by the members of the Global Energy Group. Consequently, NASEEM had access to information about these transactions as well.

NASEEM regularly and repeatedly called a co-conspirator ("CC-1") and provided him with material non-public information regarding the Subject Transactions (the "Credit Suisse Inside Information"). NASEEM provided the Credit Suisse Inside Information to CC-1 in violation of (a) the duties of trust and confidence owed by NASEEM to Credit Suisse and its clients, and (b) Credit Suisse's written policies, which NASEEM certified he understood, regarding the use and safekeeping of confidential and inside information.

NASEEM would typically call CC-1 at his home or on CC-1's cell phone in advance of a public announcement that a particular Issuer was to be acquired by another entity and he would provide Credit Suisse Inside Information to CC-1 regarding the acquisition in question. Shortly after receiving such a call, CC-1 would purchase securities in that Issuer based on the Credit Suisse Inside Information he received from NASEEM. Following public disclosure that an Issuer was being acquired -- which occurred after CC-1 had already purchased securities in that particular Issuer -- CC-1 would quickly sell all of the securities he had purchased in advance of the public disclosures. CC-1 executed dozens of securities transactions, including trades in an offshore account, based on Credit Suisse Inside Information; CC-1 profited from his trading in each of the Subject Securities and earned total profits in excess of \$7.5 million from the scheme.

NASEEM was arrested late this afternoon and is expected to be presented tomorrow before a United States Magistrate Judge in Manhattan federal court.

NASEEM is charged with one count of conspiracy to commit securities fraud and twenty-five counts of securities fraud. The conspiracy charge carries a maximum sentence of 5 years' imprisonment and a maximum fine of the greater of \$250,000, or twice the gross gain or gross loss from the offense. Each of the securities fraud counts carries a maximum sentence of 20 years' imprisonment and a maximum fine of \$5 million, or twice the gross gain or gross loss from the offense.

Mr. GARCIA praised the efforts of the FBI, the U.S. Securities and Exchange Commission, and the United States Attorney's Office for the Northern District of Texas, in the investigation of this case. He said the investigation is continuing.

Assistant United States Attorney JOSHUA KLEIN is in charge of the prosecution.

The charges contained in the Complaint are merely accusations and the defendant is presumed innocent unless and until proven guilty.

07-111

###