



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

**FOR IMMEDIATE RELEASE
MAY 10, 2007**

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**FORMER MORGAN STANLEY FINANCIAL ANALYST AND FORMER ING
HEDGE FUND ANALYST ARRESTED FOR INSIDER TRADING**

Wife's Tips To Husband Net \$600,000

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 Field Office of the Federal Bureau of Investigation ("FBI"), announced today that JENNIFER WANG, 31, and her husband RUBEN CHEN, 34, of Englishtown, New Jersey, were arrested today on insider trading charges. The trading allegedly took place based on material nonpublic information WANG obtained from her former employer, Morgan Stanley, regarding acquisitions of three publicly traded companies. WANG, formerly a financial analyst at Morgan Stanley, and CHEN, a former ING analyst of hedge funds, allegedly netted over \$600,000 from the scheme. According to the four-count Complaint filed in Manhattan federal court:

From December 2005 through March 2007, WANG and CHEN traded in the securities of Town and Country Trust ("Town and Country"), Glenborough Realty Trust ("Glenborough"), and Genesis Health Care ("Genesis"), based on nonpublic information WANG obtained from her employer Morgan Stanley regarding those companies. WANG and CHEN conducted their trading in an account, the existence of which they hid from their respective employers, set up in the name of WANG's mother.

With respect to Town and Country Trust and Glenborough Realty Trust, Morgan Stanley was advising its subsidiary, Morgan Stanley Real Estate ("MSRE"), on the acquisition of both companies. WANG, then a vice-president in Morgan Stanley's

finance department, had access to documentation regarding MSRE's attempted but unsuccessful acquisition of Town and Country, and successful acquisition of Glenborough, prior to any public disclosure of MSRE's bids for the companies. As to Genesis, in December 2006, Morgan Stanley's Principal Transactions Group received information relating to financing a potential acquisition of Genesis. WANG obtained access to a shared computer drive that contained information relating to the potential acquisition. WANG passed the information she obtained from Morgan Stanley to her husband CHEN, then the vice-president of the Fund of Funds department at ING Investment Management Americas. Trading in these securities, conducted in an account established in WANG's mother's name, netted over \$600,000.

WANG and CHEN resigned earlier this year from their respective employers, Morgan Stanley and ING, following an SEC inquiry and internal investigations by Morgan Stanley and ING into the matter.

WANG and CHEN were arrested today and are expected to be presented later this afternoon before a United States Magistrate Judge in Manhattan federal court.

WANG and CHEN are each charged with one count of conspiracy to commit securities fraud and three 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 securities fraud count 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 and the United States Securities and Exchange Commission in the investigation of this case. He added the investigation is continuing.

Assistant United States Attorney REED MICHAEL BRODSKY is in charge of the prosecution.

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

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