



*United States Attorney
Southern District of New York*



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**EXPERT-NETWORKING FIRM CONSULTANT SENTENCED
IN MANHATTAN FEDERAL COURT TO FOUR YEARS IN PRISON
FOR INSIDER TRADING CRIMES**

PREET BHARARA, the United States Attorney for the Southern District of New York, announced that WINIFRED JIAU, a/k/a "Wini," a consultant at an expert-networking firm, was sentenced today in Manhattan federal court to _____ in prison for her participation in an insider trading scheme in which she sold material, nonpublic information ("Inside Information") about publicly traded companies to multiple hedge funds for the purpose of executing profitable securities transactions. JIAU was convicted on June 20, 2011, after a two-week jury trial. U.S. District Judge JED S. RAKOFF presided over the trial and imposed today's sentence.

Manhattan U.S. Attorney PREET BHARARA stated: "As evidenced at trial, Wini Jiau conducted herself as though insider trading was a game. Today's sentence is a stark reminder that it is a crime, not a game, and those who engage in this conduct will be punished."

According to the Superseding Indictment filed in Manhattan federal court, other court documents, statements made during related court proceedings, and the evidence presented at trial:

Between 2006 and December 2008, JIAU obtained Inside Information, including detailed financial earnings, about multiple publicly traded companies, including NVIDIA Corporation ("NVIDIA") and Marvell Technology Group, Ltd. ("Marvell"), from sources who worked in the finance departments at Marvell and NVIDIA. JIAU sold that information to portfolio managers at hedge funds which then traded on the information. In return, hedge funds paid JIAU over \$200,000 over the two-year period; these payments were made through an expert-networking firm for which JIAU was a paid consultant.

For example, on May 23 and 28, 2008, JIAU had telephone conversations with SAMIR BARAI and NOAH FREEMAN, portfolio managers at two separate hedge funds that paid JIAU for Inside Information, during which she advised them of Marvell's quarterly revenues, gross margins, and earnings per share for the quarter ending on May 3, 2008. The information JIAU provided was accurate and preceded Marvell's public announcement of its quarterly financial results. In her conversations with BARAI and FREEMAN, several of which were recorded by BARAI, JIAU made clear that she received the Inside Information from an employee at Marvell. Based on the Inside Information, BARAI caused his hedge fund to execute trades in Marvell, netting a profit of more than \$865,000.

In total, the Inside Information which JIAU sold to the portfolio managers at hedge funds resulted in illegal profits of more than \$3 million.

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In addition to her prison term, Judge RAKOFF sentenced JIAU, 43, of Fremont, California, to two years of supervised release. JIAU was also ordered to pay a \$200 special assessment and forfeit \$, representing the amount of proceeds obtained as a result of the securities fraud and wire fraud offenses.

JIAU's co-defendants BARAI and FREEMAN have pled guilty and await sentencing.

Mr. BHARARA praised the investigative work of the Federal Bureau of Investigation and thanked the U.S. Securities and Exchange Commission for its assistance in the investigation of this case.

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.

This case is being handled by the Office's Securities and Commodities Fraud Task Force. Assistant U.S. Attorneys AVI WEITZMAN and DAVID LEIBOWITZ are in charge of the prosecution.

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