UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA	:	Hon.
	:	
	:	Crim. No. 17-
v.	:	
	:	15 U.S.C. §§ 78j(b) and 78ff,
	:	17 C.F.R. §§ 240.10b-5 and
CHIANG YU	:	240.10b5-2, and 18 U.S.C. § 2
	:	

INFORMATION
(Securities Fraud)

The defendant having waived in open court prosecution by Indictment, the Acting United States Attorney for the District of New Jersey charges:

1. At all times relevant to this Information:

a. Defendant CHIANG YU resided in Pennington, New Jersey, and was a research scientist in the field of oncology.

b. Celator was a biopharmaceutical company headquartered in Ewing Township, New Jersey. Securities of Celator were traded on the Nasdaq Stock Market under the symbol CPXX.

2. In or around May 2016, in Mercer County, in the District of New Jersey, and elsewhere, defendant

CHIANG YU

did unlawfully, willfully and knowingly, directly and indirectly, by the use of the means and instrumentalities of interstate commerce, and the mails and of the facilities of national securities exchanges, in connection with the purchase and sale of securities, use and employ manipulative and deceptive devices and contrivances, in violation of Title 17, Code of Federal Regulations, Section 240.10b-5, by (a) employing devices, schemes and artifices to defraud; (b) making untrue statements of material facts and omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading; and (c) engaging in acts, practices and courses of business which operated and would operate as a fraud and deceit upon persons, to wit: by knowingly executing securities transactions in the securities of Celator in or about May 2016 based on material, non-public information concerning an upcoming acquisition of Celator by another publicly traded company knowing that the material, non-public information had been misappropriated in breach of a duty of trust and confidence that was owed directly, indirectly, and derivatively to Celator, its shareholders, and to other persons who were the source of the material, nonpublic information.

The Insider Trading Scheme

3. In May 2016, CHIANG YU carried out an insider trading scheme by trading on material, non-public information he received from a relative knowing that it had been obtained in violation of a duty of trust and confidence owed to the sources of the information.

4. In particular, on or about May 31, 2016, Celator publicly announced that it had entered into a merger agreement with another publicly traded company. As a result, the price of Celator's stock increased

substantially the day after the announcement.

5. CHIANG YU learned about the upcoming announcement of the acquisition of Celator prior to its public disclosure and promptly traded in the securities of Celator in order to profit from the eventual announcement. CHIANG YU was told about the Celator transaction by a family member, who in turn had been advised of the impending acquisition of the company by his close personal friend, Person 1. Person 1 had been an employee of Celator and had previously supplied CHIANG YU's family member with material, non-public information about Celator while Person 1 was an employee of the company. Person 1 had received the material, non-public information about the Celator acquisition from Celator insiders based on his ongoing duties of trust and confidence to those sources of information.

6. CHIANG YU participated in the scheme knowing that the information Person 1 provided to his family member was material, non-public information which Person 1 had misappropriated from Celator so that it could be used to execute profitable trades, which CHIANG YU repeatedly did.

7. In total, the insider trading scheme resulted in illicit profits of $107,045 for CHIANG YU.

In violation of Title 15, United States Code, Sections 78j(b) and 78ff, Title 17, Code of Federal Regulations, Section 240.10b-5 and 240.10b5-2 and Title 18, United States Code, Section 2.

FORFEITURE ALLEGATIONS

1. As the result of committing the offenses constituting specified unlawful activity as defined in 18 U.S.C. § 1956(c)(7), as alleged in this Information, defendant CHIANG YU shall forfeit to the United States, pursuant to Title 18, United States Code, Section 981(a)(1)(C), and Title 28, United States Code, Section 2461(c), all property, real and personal, that constitutes or is derived from proceeds traceable to the commission of the said conspiracy and securities fraud offenses, and all property traceable thereto, including, but not limited to, a sum of money equal to at least $107,045 in United States currency.

Substitute Assets Provision

2. If any of the above-described forfeitable property, as a result of any act or omission of the defendant:

(a) cannot be located upon the exercise of due diligence;

(b) has been transferred or sold to, or deposited with, a third person;

(c) has been placed beyond the jurisdiction of the Court;

(d) has been substantially diminished in value; or

(e) has been commingled with other property which cannot be subdivided without difficulty;

it is the intent of the United States, pursuant to 21 U.S.C. § 853(p), as incorporated by 28 U.S.C. § 2461(c), to seek forfeiture of any other property of the defendant up to the value of the above forfeitable property.

William E. Fitzpatrick

WILLIAM E. FITZPATRICK
Acting United States Attorney

CASE NUMBER: ____________

United States District Court
District of New Jersey

UNITED STATES OF AMERICA

v.

CHIANG YU

INFORMATION FOR

15 U.S.C. §§ 78j(b) and 78ff,
17 C.F.R. §§ 240.10b-5 and 240.10b5-2, and
18 U.S.C. § 2

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