

NEWS RELEASE



***OFFICE OF THE UNITED STATES ATTORNEY
SOUTHERN DISTRICT OF CALIFORNIA
San Diego, California***

***United States Attorney
Laura E. Duffy***

For Further Information, Contact: Assistant U.S. Attorney Eric J. Beste (619-546-6695)

For Immediate Release

**FORMER MERRILL LYNCH STOCK BROKER PLEADS GUILTY IN
CONNECTION TO QUALCOMM INSIDER TRADING SCHEME**

NEWS RELEASE SUMMARY – September 24, 2013

Former Merrill Lynch Stock Broker Gary Yin pled guilty today and admitted obstructing justice and laundering money for former Qualcomm Executive Vice President and President of Global Business Operations, Jing Wang (charged elsewhere).

According to his plea agreement, Yin agreed to assist Jing Wang in concealing Wang's illegal insider trading using a secret, nominee brokerage account at Merrill Lynch. Yin also agreed to Wang's request that he obstruct an ongoing SEC investigation into Wang's activities, and to launder the proceeds of Wang's insider trading. Among other things, Yin agreed to conceal evidence that Wang had engaged in insider trading by setting up a shell company in the British Virgin Islands, opening a brokerage account in the name of the shell company (but

actually controlled by Wang), and laundering the illegal insider trading profits by moving them into the British Virgin Islands account.

At Wang's direction, Yin also obstructed justice by removing account documents (subject to an SEC subpoena) from the United States and taking them to China. In China, Yin delivered the documents to Jing Wang's brother, Bing Wang. Once delivered, Yin rehearsed a false cover story with Bing, concocted by his brother. In order to make the cover story credible, Yin also reviewed the trading history in the offshore account with Bing Wang to enable him to lie successfully to the authorities in the United States.

Finally, in order to hide the proceeds of Wang's illegal trades, and to distance Wang from the trades, Yin transferred money from one shell company's brokerage account to another. All told, Yin transferred approximately \$525,000 from accounts related to shell companies in the British Virgin Islands.

Yin entered his guilty plea before U.S. Magistrate Judge Nita Stormes, and is next expected in court on December 16 at 9 a.m. for his sentencing before U.S. District Court Judge William Q. Hayes.

DEFENDANT

CRIMINAL CASE NO. 13cr3488-WQH

Gary Yin

SUMMARY OF CHARGES

Title 18 U.S.C. Section 371 – Conspiracy to commit offenses against the United States.
Maximum Penalty: 5 years custody, a maximum \$250,000 fine, three years supervised release and \$100 special assessment.

DEFENDANT

Criminal Case No. 13CR3487-H

Jing Wang
Bing Wang

SUMMARY OF CHARGES

Title 15 U.S.C. Sections 78j(b), 78ff and 17 C.F.R. § 240.10b-5—Securities Fraud (Insider Trading). Maximum Penalty: 20 years custody, a maximum fine of \$5 million, five years supervised release, and \$100 special assessment.

Title 18 U.S.C. Section 371 – Conspiracy (Obstruction of Justice and Money Laundering). Maximum Penalty: 5 years custody, a maximum \$250,000 fine, three years supervised release and \$100 special assessment.

Title 18 U.S.C. Section 1512(c)(1) and (c)(2) -- Obstruction of Official Proceedings. Maximum Penalty: 20 years custody, a maximum fine of \$250,000 years supervised release, and \$100 special assessment.

Title 18 U.S.C. 1956 – Money Laundering. Maximum Penalty: 20 years custody, a maximum fine of \$250,000 years supervised release, and \$100 special assessment.

Title 18 U.S.C. 1028A – Aggravated Identity Theft. Maximum Penalty: Mandatory two years custody consecutive to any other sentence.

DEFENDANT

Criminal Case No. 13CR3487-H

Bing Wang

SUMMARY OF CHARGES

Title 18 U.S.C. Section 371 – Conspiracy (Obstruction of Justice and Money Laundering). Maximum Penalty: 5 years custody, a maximum \$250,000 fine, three years supervised release and \$100 special assessment.

INVESTIGATING AGENCIES

Federal Bureau of Investigation

Internal Revenue Service-Criminal Investigation