

THE UNITED STATES ATTORNEY'S OFFICE
SOUTHERN DISTRICT *of* NEW YORK

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Department of Justice

U.S. Attorney's Office

Southern District of New York

FOR IMMEDIATE RELEASE

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U.S. Attorney Announces Charges In Four Separate Insider Trading Cases Against Nine Individuals, Including Former U.S. Congressman, Former FBI Agent Trainee, Tech Company Executives, And Former Investment Banker

Former U.S. Congressman Charged with Insider Trading Based on Inside Information Obtained from Consulting Work

Former FBI Agent Trainee and Friend Charged with Insider Trading Based on Inside Information Stolen from the Trainee's former Girlfriend

Network of Individuals Charged with Insider Trading based on Inside Information obtained from the Former Chief Information Security Officer of Telecommunications Company

New York-based Investment Banker Charged with Insider Trading for Using Stolen Information about Potential Investments to Tip Trading Friend

Damian Williams, United States Attorney for the Southern District of New York, and Michael J. Driscoll, Assistant Director-in-Charge of the New York Office of the Federal Bureau of Investigation ("FBI") announced charges in four separate insider trading cases, collectively charging nine defendants with securities fraud and other related charges, including in some cases, obstruction of justice. These cases involve trading based on confidential information misappropriated from entities and individuals in a variety of industries and reflect the U.S. Attorney's Office for the Southern District of New York's broad investigative reach and continued resolve to root out corruption in our financial markets. The defendants in these cases made between hundreds of thousands and millions of dollars from illegal securities trading based on material, non-public information that was stolen from numerous sources.

U.S. Attorney Damian Williams said: "The message of today's arrests is simple: My Office remains as committed as ever to rooting out insider trading in all forms. Insider trading erodes the trust and confidence of the investing public in our capital markets. We will continue to investigate and prosecute those who cheat in the markets by using insider information to line their own pockets. The four cases charged today—involving a former politician, a former member of law enforcement, California-based technology company executives, and a New York-based investment banker—demonstrate the breadth and scope of our focus on catching and prosecuting these criminals in all areas of our financial system."

FBI Assistant Director-in-Charge Michael J. Driscoll said: "The four cases laid out here illustrate insider trading continues to plague our financial markets. The specifics of each case may vary, however they all

have one thing in common - everyone involved let greed dictate their actions and made trades based on material non-public information. The crimes we allege threaten both the integrity of our financial markets and investors' faith in them. Our actions demonstrate we remain committed to ensuring a level playing field for all."

According to the allegations contained in the Indictments filed in Federal Court and other publicly available information:[1]

United States v. Buyer

STEPHEN BUYER, a former U.S. Congressman from Indiana, engaged in two separate, but interrelated insider trading schemes to steal material non-public information that he obtained through consulting work and place timely, profitable securities trade based on that stolen information. First, in or about March and April 2018, BUYER purchased shares of Sprint Corporation ("Sprint") ahead of the April 29, 2018 public announcement that T-Mobile US, Inc. ("T-Mobile") and Sprint would merge, in a deal valued at \$26.5 billion. Prior to the public announcement of the transaction by T-Mobile, executives at T-Mobile told a small, trusted group of consultants that they had retained to work on the deal, including BUYER, about the merger and directed them to keep the information confidential. BUYER breached his duty of confidentiality to T-Mobile and misappropriated that information by purchasing shares of Sprint across several brokerage accounts, including his own accounts, an account held jointly with his cousin, and an account in the name of a close personal friend ("Individual-1"). Across these accounts, BUYER made more than \$126,000 from the purchase and subsequent sale of Sprint stock after the merger was publicly announced.

In or about June through August 2019, BUYER traded in shares of Navigant Consulting, Inc. ("Navigant") ahead of Navigant's acquisition by consulting and advisory firm Guidehouse. As with Sprint, BUYER determined through his consulting work for Guidehouse that Guidehouse intended to acquire Navigant, and misappropriated that information by purchasing Navigant shares ahead of the public announcement of the acquisition. BUYER purchased Navigant shares across several brokerage accounts, including accounts in his own name, joint accounts held with family members, and Individual-1's account. In total, Buyer made more than \$223,000 from his illegal Navigant trades.

BUYER, 63, of Noblesville, Indiana, has been charged with four counts of securities fraud, each of which carries a maximum term of 20 years in. BUYER was arrested this morning and the case has been assigned to U.S. District Judge Richard M. Berman.

United States v. Markin and Wong

In early 2021, SETH MARKIN and BRANDON WONG together made more than \$1.4 million dollars in illegal profits by trading in stock based on inside information that MARKIN misappropriated from his then-girlfriend, who was then an attorney at a major law firm in Washington D.C. assigned to work on the acquisition of Pandion Therapeutics ("Pandion") by Merck & Co. ("Merck"). To carry out the illegal insider trading scheme, MARKIN secretly looked through his girlfriend's confidential work documents, without her permission, and learned that in a matter of weeks, Merck, a publicly traded pharmaceutical company, was going to acquire Pandion, a publicly traded biotechnology company, for approximately three times the value of Pandion's then-share price. After misappropriating this material non-public information from his girlfriend, MARKIN purchased shares in Pandion, and tipped several friends and family members, including WONG. WONG, in turn, purchased hundreds of thousands of dollars' worth of Pandion shares, and told at least eight other people to purchase Pandion shares. In total, MARKIN and WONG directly or indirectly caused more than twenty people to trade in Pandion stock based on the material non-public information that MARKIN misappropriated from his girlfriend resulting in millions of dollars of illegally obtained trading profits.

At the time of the relevant trades, MARKIN had been accepted into the Federal Bureau of Investigation as a new agent trainee. In addition to perpetrating the insider trading scheme, MARKIN lied to conceal

his illegal Pandion trades. In or about June 2021, after MARKIN and his girlfriend had ended their relationship, and as MARKIN was preparing to begin training as a new agent at the FBI Academy in Quantico, Virginia, MARKIN's former girlfriend called him to ask why MARKIN's name had come up in an inquiry by the Financial Industry Regulatory Authority ("FINRA") into trading in Pandion stock. In response, MARKIN lied to her and falsely claimed that he did not trade in Pandion stock. In addition, in or about November 2021, MARKIN lied to FBI agents when he was interviewed about his Pandion trading, conduct that forms the basis for a separate charge against MARKIN for making false statements.

MARKIN, 31, of Washington Crossing, Pennsylvania, has been charged with nine counts of securities fraud and eight counts of tender offer fraud, each of which carries a maximum term of 20 years in prison, and one count of conspiracy and one count of making false statements, each of which carries a maximum term of 5 years in prison, and was arrested this morning.

WONG, 38, of New York, has been charged with eleven counts of securities fraud and ten counts of tender offer fraud, each of which carries a maximum term of 20 years in prison, and one count of conspiracy, which carries a maximum term of 5 years in prison and was arrested this morning. The case has been assigned to U.S. District Judge Edgardo Ramos.

United States v. Bhardwaj, Kakker, and Saeedi

From November 2020 through April 2020, AMIT BHARDWAJ, SRINIVASA KAKKER, ABBAS SAEEDI, engaged in an insider trading scheme in which BHARDWAJ, who was the Chief Information Security Officer ("CISO") of Lumentum Holdings Inc. ("Lumentum"), misappropriated material, non-public information belonging to Lumentum and then traded on that information himself and tipped his criminal associates, including KAKKER, SAEEDI, Dhirenkumar Patel, and Ramesh Chitor, in connection with two separate potential acquisitions by Lumentum, Coherent, Inc. ("Coherent") and Neophotonics Corporation ("Neophotonics").

In approximately December 2020, BHARDWAJ learned that Lumentum was considering acquiring Coherent. Based on this material, non-public information, BHARDWAJ himself purchased Coherent stock and call options, and BHARDWAJ tipped two friends – including Dhirenkumar Patel – and a close family relative and these individuals all traded in Coherent securities as a result. BHARDWAJ and Patel agreed that Patel would pay BHARDWAJ fifty percent of the profits that Patel earned by trading in Coherent based on the MNPI provided by BHARDWAJ. When Coherent's stock price increased substantially following the January 19 Announcement, AMIT BHARDWAJ, his close family member, his friend Patel, and another friend, closed their positions in Coherent securities and collectively profited by nearly \$900,000.

In or about October 2021, BHARDWAJ learned that Lumentum was engaged in confidential discussions with Neophotonics about a potential acquisition. BHARDWAJ provided this MNPI to SRINIVASA KAKKER, ABBAS SAEEDI, and Ramesh Chitor, and these individuals all traded in Neophotonics securities as a result. In connection with Chitor's trading, BHARDWAJ and Chitor agreed that Chitor and Bhardwaj would split the profits equally. When Neophotonics' stock price increased substantially following the announcement of the acquisition in November 2021, KAKKER, SAEEDI and Chitor closed their positions in Neophotonics securities and made collectively approximately \$4.3 million in realized and unrealized profits.

After they were interviewed by the Federal Bureau of Investigation voluntarily and served with federal grand jury subpoenas on approximately March 29, 2022, BHARDWAJ, KAKKER and SAEEDI took steps to obstruct the federal investigation of their conduct. On the day of the March 29, 2022 FBI interviews, BHARDWAJ drove to the homes of certain of his co-conspirators to encourage them not to tell the federal authorities the truth about their insider trading scheme. BHARDWAJ, KAKKER, SAEEDI, and Dhirenkumar Patel then met in person on multiple occasions and discussed, among other things, potential false stories that would conceal their insider trading scheme, as well as creating false documents to buttress lies regarding payments that were, in reality, related to the insider trading

scheme. BHARDWAJ also solicited assistance from Patel in seeking to ensure that any potential incriminating information from BHARDWAJ's work laptop would be deleted.

BHARDWAJ, 49, of San Ramon, California, who was arrested this morning, has been charged with seven counts of securities fraud and two counts of wire fraud, each of which carries a maximum term of 20 years in prison, and one count of conspiracy to commit securities fraud and wire fraud, and one count of conspiracy to obstruct justice, each of which carries a maximum term of 5 years in prison.

KAKKERA, 47, of Pleasanton, California, who was arrested this morning, has been charged with one count of securities fraud and one count of wire fraud, each of which carries a maximum term of 20 years in prison, and one count of conspiracy to commit securities fraud and wire fraud, and one count of conspiracy to obstruct justice, each of which carries a maximum term of 5 years in prison.

SAEEDI, 47, of Fremont, California, who was arrested this morning, has been charged with one count of securities fraud and one count of wire fraud, each of which carries a maximum term of 20 years in prison, and one count of conspiracy to commit securities fraud and wire fraud, and one count of conspiracy to obstruct justice, each of which carries a maximum term of 5 years in prison.

The case has been assigned to U.S. District Judge Gregory H. Woods.

Also unsealed today were charges against Dhirenkumar Patel and Ramesh Chitor, who have separately pled guilty and are cooperating with the Government in this case.

United States v. Goel

BRIJESH GOEL was an investment banker in the financing group at a major international investment bank in New York, New York (the "Investment Bank"). In that position, GOEL received confidential, internal emails directed to the Investment Bank's Firmwide Capital Committee, which contained detailed information and analysis about potential mergers and acquisitions transactions the Investment Bank was considering financing. In violation of the duties that he owed to the Investment Bank, GOEL misappropriated that confidential information and tipped a friend, who worked at another investment bank in New York, New York ("CC-1"), with the names of potential target companies from these FWCC emails, typically during in-person meetings (such as when the two met to play squash). CC-1 then used that MNPI to trade call options, including short-dated, out-of-the-money call options, in brokerage accounts that were in the name of CC-1's brother. GOEL and CC-1 agreed to split the profits from their trading. Between approximately 2017 and 2018, GOEL tipped CC-1 on at least seven deals in which the Investment Bank was involved, yielding total illegal profits of approximately \$280,000.

Between approximately May and June 2022, GOEL also obstructed investigations by a Grand Jury in the Southern District of New York and the U.S. Securities and Exchange Commission. Specifically, GOEL deleted and asked CC-1 to delete electronic communications regarding this insider trading scheme, including during an in-person meeting that CC-1 consensually recorded.

GOEL, 37, of New York, New York, has been charged with four counts of securities fraud and one count of obstruction of justice, each of which carries a maximum term of 20 years in prison, and one count of conspiracy to commit securities fraud and tender offer fraud, which carries a maximum term of 5 years in prison. GOEL was arrested yesterday, and the case has been assigned to U.S. District Judge P. Kevin Castel.

* * *

The maximum potential sentences are prescribed by Congress and are provided here for informational purposes only, as the sentencing of the defendants will be determined by the judge.

Mr. Williams praised the outstanding investigative work of the Federal Bureau of Investigation and the Department of Justice's Office of the Inspector General. He further thanked the Securities and

Exchange Commission and the victim law firm and companies for their cooperation and assistance across these investigations.

These cases are being handled by the Office's Securities and Commodities Fraud Task Force. United States v. Buyer is in the charge of Assistant U.S. Attorneys Jordan Estes, Kiersten Fletcher, and Elizabeth Hanft. United States v. Markin and Wong is in the charge of Assistant U.S. Attorneys Kiersten Fletcher, Nicolas Roos, and Negar Tekeei. United States v. Bhardwaj, Kakkera, and Saeedi is in the charge of Assistant U.S. Attorneys Richard Cooper and Noah Solowiejczyk. United States v. Goel is in the charge of Assistant U.S. Attorney Joshua Naftalis.

[1] As the introductory phrase signifies, the entirety of the text of the Indictments and the description of the Indictments set forth below constitute only allegations, and every fact described should be treated as an allegation.

Attachment(s):

[Download u.s. v. amit bhardwaj et al indictment.pdf](#)

[Download u.s. v. brijesh goel indictment.pdf](#)

[Download u.s. v. markin and wong indictment.pdf](#)

[Download u.s. v. stephen buyer indictment.pdf](#)

Component(s):

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Contact:

Nicholas Biase

Victoria Bosah

(212) 637-2600

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