

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

-against-

GALLEON MANAGEMENT, LP,
ET AL.,

Defendants.

09 Civ. 8811 (JSR)

ANSWER OF DEFENDANT
STEVEN FORTUNA TO
THE SECOND AMENDED
COMPLAINT

Defendant Steven Fortuna (“Defendant”), by his attorneys, Dornbush Schaeffer Strongin & Venaglia, LLP, as and for his Answer to the Second Amended Complaint dated January 29, 2010, states as follows:

SUMMARY

1. That this case involves widespread and repeated insider trading at several hedge funds, including Galleon Management, LP (“Galleon”), New Castle Funds LLC (“New Castle”), Spherix Capital LLC (“Spherix Capital”), and S2 Capital Management, LP, (“S2”), is a legal conclusion to which no response is required. To the extent the allegations contained in Paragraph 1 of the Second Amended Complaint do not relate to Defendant, he lacks knowledge or information sufficient to form a belief as to the truth of the allegations. To the extent that that the allegations contained in Paragraph 1 of the Second Amended Complaint purport to relate to Defendant, he, on the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

2. That this case involves unlawful trading on inside information concerning at least 12 different companies, including Google, Inc., Hilton Hotels Corporation, and Intel, is a legal conclusion as to which no response is required. To the extent the allegations contained in Paragraph 2 of the Second Amended Complaint do not relate to Defendant, he lacks knowledge or information sufficient to form a belief as to the truth of the allegations. To the extent that the allegations contained in Paragraph 2 of the Second Amended Complaint purport to relate to Defendant, he, on the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

- (i) Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 2(i) of the Second Amended Complaint.
- (ii) Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 2(ii) of the Second Amended Complaint.
- (iii) Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 2(iii) of the Second Amended Complaint.
- (iv) Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 2(iv) of the Second Amended Complaint.
- (v) Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 2(v) of the Second Amended Complaint.

- (vi) Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 2(vi) of the Second Amended Complaint.
- (vii) Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 2(vii) of the Second Amended Complaint.
- (viii) Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 2(viii) of the Second Amended Complaint.
- (ix) Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 2(ix) of the Second Amended Complaint
- (x) The allegations contained in Paragraph 2(x) of the Second Amended Complaint contain legal conclusions as to which no response is required. To the extent the allegations contained in Paragraph 2(x) of the Second Amended Complaint do not relate to the Defendant, he lacks knowledge or information sufficient to form a belief as to the truth of the allegations. To the extent that that the allegations contained in Paragraph 2(x) purport to relate to Defendant, he, on the advice of counsel, asserts his right not to be compelled to be a witness against himself.
- (xi) The allegations contained in Paragraph 2(xi) of the Second Amended Complaint contain legal conclusions as to which no response is required. To the extent the allegations contained in Paragraph 2(xi) of the Second

Amended Complaint do not relate to the Defendant, he lacks knowledge or information sufficient to form a belief as to the truth of the allegations. To the extent that that the allegations contained in Paragraph 2(xi) purport to relate to Defendant, he, on the advice of counsel, asserts his right not to be compelled to be a witness against himself.

- (xii) Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 2(xii) of the Second Amended Complaint.

NATURE OF THE PROCEEDINGS AND RELIEF SOUGHT

- 3. Paragraph 3 of the Second Amended Complaint contains legal conclusions and requests for relief as to which no response is required.

JURISDICTION AND VENUE

- 4. Paragraph 4 of the Second Amended Complaint contains legal conclusions as to which no response is required.

- 5. The first sentence of Paragraph 5 of the Second Amended Complaint contains a legal conclusion as to which no response is required. Defendant admits that S2 did have a business presence in the Southern District of New York. To the extent the allegations contained in Paragraph 5 require a response and do not relate to the Defendant, he lacks knowledge or information sufficient to form a belief as to the truth of the allegations. To the extent that that the allegations contained in Paragraph 5 require a response and the allegations purport to relate to Defendant, he, on the advice of counsel, asserts his rights not to be compelled to be a witness against himself .

DEFENDANTS

6. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 6 of the Second Amended Complaint.

7. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 7 of the Second Amended Complaint.

8. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 8 of the Second Amended Complaint.

9. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 9 of the Second Amended Complaint.

10. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 10 of the Second Amended Complaint.

11. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 11 of the Second Amended Complaint.

12. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 12 of the Second Amended Complaint.

13. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 13 of the Second Amended Complaint.

14. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 14 of the Second Amended Complaint.

15. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 15 of the Second Amended Complaint.

16. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 16 of the Second Amended Complaint.

17. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 17 of the Second Amended Complaint.

18. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 18 of the Second Amended Complaint.

19. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 19 of the Second Amended Complaint.

20. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 20 of the Second Amended Complaint.

21. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 21 of the Second Amended Complaint.

22. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 22 of the Second Amended Complaint.

23. Defendant admits the allegations contained in Paragraph 23 of the Second Amended Complaint.

24. Defendant admits the allegations contained in Paragraph 24 of the Second Amended Complaint, except states that S2 served as the investment adviser to the hedge fund S2 Capital Fund, LP and that S2 has wound down its operations.

RELEVANT ENTITIES

25. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 25 of the Second Amended Complaint.

26. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 26 of the Second Amended Complaint.

27. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 27 of the Second Amended Complaint.

28. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 28 of the Second Amended Complaint.

29. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 29 of the Second Amended Complaint.

30. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 30 of the Second Amended Complaint.

31. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 31 of the Second Amended Complaint.

32. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 32 of the Second Amended Complaint.

33. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 33 of the Second Amended Complaint.

34. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 34 of the Second Amended Complaint.

35. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 35 of the Second Amended Complaint.

36. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 36 of the Second Amended Complaint.

37. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 37 of the Second Amended Complaint.

38. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 38 of the Second Amended Complaint.

39. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 39 of the Second Amended Complaint.

40. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 40 of the Second Amended Complaint.

41. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 41 of the Second Amended Complaint.

42. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 42 of the Second Amended Complaint.

43. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 43 of the Second Amended Complaint.

FACTS

A. Insider Trading in Polycom Securities

44. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 44 of the Second Amended Complaint.

45. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 45 of the Second Amended Complaint.

a. Polycom's Q4 2005 Earnings Release – January 25, 2006

46. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 46 of the Second Amended Complaint.

47. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 47 of the Second Amended Complaint.

48. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 48 of the Second Amended Complaint.

49. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 49 of the Second Amended Complaint.

50. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 50 of the Second Amended Complaint.

51. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 51 of the Second Amended Complaint.

II. Polycom's Q1 2006 Earnings Release – April 19, 2006

52. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 52 of the Second Amended Complaint.

53. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 53 of the Second Amended Complaint.

54. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 54 of the Second Amended Complaint.

55. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 55 of the Second Amended Complaint.

B. Insider Trading in Hilton Securities

56. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 56 of the Second Amended Complaint.

57. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 57 of the Second Amended Complaint.

58. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 58 of the Second Amended Complaint.

59. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 59 of the Second Amended Complaint.

60. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 60 of the Second Amended Complaint.

61. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 61 of the Second Amended Complaint.

62. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 62 of the Second Amended Complaint.

63. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 63 of the Second Amended Complaint.

64. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 64 of the Second Amended Complaint.

65. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 65 of the Second Amended Complaint.

66. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 66 of the Second Amended Complaint.

67. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 67 of the Second Amended Complaint.

C. Insider Trading in Google Securities

68. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 68 of the Second Amended Complaint.

69. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 69 of the Second Amended Complaint.

70. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 70 of the Second Amended Complaint.

71. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 71 of the Second Amended Complaint.

72. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 72 of the Second Amended Complaint.

73. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 73 of the Second Amended Complaint.

74. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 74 of the Second Amended Complaint.

75. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 75 of the Second Amended Complaint.

76. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 76 of the Second Amended Complaint.

77. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 77 of the Second Amended Complaint.

78. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 78 of the Second Amended Complaint.

79. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 79 of the Second Amended Complaint.

D. Insider Trading in Kronos Securities

80. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 80 of the Second Amended Complaint.

81. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 81 of the Second Amended Complaint.

82. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 82 of the Second Amended Complaint.

83. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 83 of the Second Amended Complaint.

84. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 84 of the Second Amended Complaint.

85. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 85 of the Second Amended Complaint.

86. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 86 of the Second Amended Complaint.

87. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 87 of the Second Amended Complaint.

88. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 88 of the Second Amended Complaint.

89. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 89 of the Second Amended Complaint.

90. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 90 of the Second Amended Complaint.

91. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 91 of the Second Amended Complaint.

92. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 92 of the Second Amended Complaint.

E. Insider Trading in Intel Securities

93. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 93 of the Second Amended Complaint.

(a) Intel's Q4 Earnings Release – January 16, 2007

94. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 94 of the Second Amended Complaint.

95. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 95 of the Second Amended Complaint.

96. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 96 of the Second Amended Complaint.

97. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 97 of the Second Amended Complaint.

98. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 98 of the Second Amended Complaint.

(b) Intel's Q1 2007 Earnings Release – April 17, 2007

99. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 99 of the Second Amended Complaint.

100. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 100 of the Second Amended Complaint.

101. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 101 of the Second Amended Complaint.

102. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 102 of the Second Amended Complaint.

103. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 103 of the Second Amended Complaint.

(c) Intel's Q3 2007 Earnings Release – October 16, 2007

104. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 104 of the Second Amended Complaint.

105. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 105 of the Second Amended Complaint.

F. Insider Trading in Clearwire Securities

106. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 106 of the Second Amended Complaint.

107. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 107 of the Second Amended Complaint.

108. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 108 of the Second Amended Complaint.

109. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 109 of the Second Amended Complaint.

110. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 110 of the Second Amended Complaint.

111. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 111 of the Second Amended Complaint.

112. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 112 of the Second Amended Complaint.

113. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 113 of the Second Amended Complaint.

G. Insider Trading in PeopleSupport Securities

114. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 114 of the Second Amended Complaint.

115. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 115 of the Second Amended Complaint.

116. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 116 of the Second Amended Complaint.

117. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 117 of the Second Amended Complaint.

118. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 118 of the Second Amended Complaint.

H. Insider Trading in Akami Securities

119. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 119 of the Second Amended Complaint.

120. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 120 of the Second Amended Complaint.

121. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 121 of the Second Amended Complaint.

122. To the extent the allegations contained in Paragraph 122 of the Second Amended Complaint do not relate to him, Defendant lacks knowledge or information sufficient to form a belief as to the truth of those allegations. To the extent that that the allegations contained in Paragraph 122 of the Second Amended Complaint purport to relate to Defendant, Defendant, on the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

123. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 123 of the Second Amended Complaint.

124. To the extent the allegations contained in Paragraph 124 of the Second Amended Complaint do not relate to him, Defendant lacks knowledge or information sufficient to form a belief as to the truth of those allegations. To the extent that that the allegations contained in Paragraph 124 of the Second Amended Complaint purport to relate to Defendant, Defendant, on the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

I. Insider Trading in SUN Securities

125. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 125 of the Second Amended Complaint.

126. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 126 of the Second Amended Complaint.

127. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 127 of the Second Amended Complaint.

128. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 128 of the Second Amended Complaint.

129. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 129 of the Second Amended Complaint.

130. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 130 of the Second Amended Complaint.

131. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 131 of the Second Amended Complaint.

J. Insider Trading in ATI Securities

132. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 132 of the Second Amended Complaint.

133. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 133 of the Second Amended Complaint.

134. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 134 of the Second Amended Complaint.

135. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 135 of the Second Amended Complaint.

136. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 136 of the Second Amended Complaint.

137. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 137 of the Second Amended Complaint.

138. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 138 of the Second Amended Complaint.

K. Insider Trading in AMD Securities

139. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 139 of the Second Amended Complaint.

140. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 140 of the Second Amended Complaint.

141. To the extent the allegations contained in Paragraph 141 of the Second Amended Complaint do not relate to him, Defendant lacks knowledge or information sufficient to form a belief as to the truth of those allegations. To the extent that the allegations contained in Paragraph 141 of the Second Amended Complaint purport to relate to Defendant, Defendant, on the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

142. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 142 of the Second Amended Complaint.

143. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 143 of the Second Amended Complaint.

144. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 144 of the Second Amended Complaint.

145. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 145 of the Second Amended Complaint.

146. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 146 of the Second Amended Complaint.

147. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 147 of the Second Amended Complaint.

148. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 148 of the Second Amended Complaint.

149. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 149 of the Second Amended Complaint.

150. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 150 of the Second Amended Complaint.

151. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 151 of the Second Amended Complaint.

152. To the extent the allegations contained in Paragraph 152 of the Second Amended Complaint do not relate to him, Defendant lacks knowledge or information sufficient to form a belief as to the truth of those allegations. To the extent that that the allegations contained in Paragraph 152 of the Second Amended Complaint purport to relate to Defendant, Defendant, on the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

153. To the extent the allegations contained in Paragraph 153 of the Second Amended Complaint do not relate to him, Defendant lacks knowledge or information sufficient to form a belief as to the truth of those allegations. To the extent that that the allegations contained in Paragraph 153 of the Second Amended Complaint purport to relate to Defendant, Defendant, on the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

L. Insider Trading in eBay Securities

154. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 154 of the Second Amended Complaint.

M. Insider Trading in IBM Securities

155. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 155 of the Second Amended Complaint.

156. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 156 of the Second Amended Complaint.

157. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 157 of the Second Amended Complaint.

158. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 158 of the Second Amended Complaint.

159. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 159 of the Second Amended Complaint.

N. Insider Trading in Atheros Securities

160. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 160 of the Second Amended Complaint.

161. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 161 of the Second Amended Complaint.

162. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 162 of the Second Amended Complaint.

163. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 163 of the Second Amended Complaint.

CLAIMS FOR RELIEF

CLAIM I

Violations of Section 10(b) of the Exchange Act and Rule 10b-5 Thereunder (Against All Defendants)

164. Defendant repeats his responses to each and every allegation contained in Paragraphs 1 through 163 of the Second Amended Complaint as if fully set forth herein.

165. Paragraph 165 of the Second Amended Complaint contains legal conclusions as to which no response is required. To the extent the allegations contained in Paragraph 165 require a response and do not relate to the Defendant, he lacks knowledge or information sufficient to form a belief as to the truth of the allegations. To the extent a response is required and the allegations do purport to relate to Defendant, Defendant, upon the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

166. Paragraph 166 of the Second Amended Complaint contains legal conclusions as to which no response is required. To the extent the allegations contained in Paragraph 166 require a response and do not relate to the Defendant, he lacks knowledge or information sufficient to form a belief as to the truth of the allegations. To the extent a response is required and the allegations do purport to relate to Defendant, Defendant, upon the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

167. Paragraph 167 of the Second Amended Complaint contains legal conclusions as to which no response is required. To the extent the allegations contained in Paragraph 167 require a response and do not relate to the Defendant, he lacks knowledge or information sufficient to form a belief as to the truth of the allegations. To the extent a response is required and the allegations do purport to relate to Defendant, Defendant, upon the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

168. Paragraph 168 of the Second Amended Complaint contains legal conclusions as to which no response is required. To the extent the allegations contained in Paragraph 168 require a response and do not relate to the Defendant, he lacks knowledge or information sufficient to form a belief as to the truth of the allegations. To the extent a response is required and the allegations do purport to relate to Defendant, Defendant, upon the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

169. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 169 of the Second Amended Complaint.

170. Defendant lacks knowledge or information sufficient to form a belief as to the truth of the allegations in Paragraph 170 of the Second Amended Complaint.

171. Paragraph 171 of the Second Amended Complaint contains legal conclusions as to which no response is required. To the extent the allegations contained in Paragraph 171 require a response and do not relate to the Defendant, he lacks knowledge or information sufficient to form a belief as to the truth of the allegations. To the extent a response is required and the allegations do purport to relate to Defendant, Defendant, upon the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

172. Paragraph 172 of the Second Amended Complaint contains legal conclusions as to which no response is required. To the extent the allegations contained in Paragraph 172 require a response and do not relate to the Defendant, he lacks knowledge or information sufficient to form a belief as to the truth of the allegations. To the extent a response is required and the allegations do purport to relate to Defendant, Defendant, upon the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

173. Paragraph 173 of the Second Amended Complaint contains legal conclusions as to which no response is required. To the extent the allegations contained in Paragraph 173 require a response and do not relate to the Defendant, he lacks knowledge or information sufficient to form a belief as to the truth of the allegations. To the extent a response is required and the allegations do purport to relate to Defendant, Defendant, upon the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

174. Paragraph 174 of the Second Amended Complaint contains legal conclusions as to which no response is required. To the extent the allegations contained in Paragraph 174 require a response and do not relate to the Defendant, he lacks knowledge or information sufficient to form a belief as to the truth of the allegations. To the extent a response is required and the allegations do purport to relate to Defendant, Defendant, upon the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

CLAIM II

Violations of Section 17(a) of the Securities Act (Against Galleon, Rajarantam, Goel, Kumar, Chiesi, Kurland, New Castle, Khan, Far, Lee, Hariri, Shankar, Schottenfeld, Fortuna and S2 Capital)

175. Defendant repeats his responses to each and every allegation contained in Paragraphs 1 through 174 of the Second Amended Complaint as if fully set forth herein.

176. Paragraph 176 of the Second Amended Complaint contains legal conclusions as to which no response is required. To the extent the allegations contained in Paragraph 176 require a response and do not relate to the Defendant, he lacks knowledge or information sufficient to form a belief as to the truth of the allegations. To the extent a response is required and the allegations do purport to relate to Defendant, Defendant, upon the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

177. Paragraph 177 of the Second Amended Complaint contains legal conclusions as to which no response is required. To the extent the allegations contained in Paragraph 177 require a response and do not relate to the Defendant, he lacks knowledge or information sufficient to form a belief as to the truth of the allegations. To the extent a response is required and the allegations do purport to relate to Defendant, Defendant, upon the advice of counsel, asserts his rights not to be compelled to be a witness against himself.

RELIEF SOUGHT

Subsections I through VI of this section contain summary allegations, legal conclusions and requests for relief for which no response is required.

Dated: New York, New York
February 24, 2010

DORNBUSH SCHAEFFER
STRONGIN & VENAGLIA, LLP

By. 

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