

# Exhibit A-6

## Part Two

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1 Q. And generally describe the nature of that disagreement?  
2 A. I think the principal disagreement had to do with the  
3 poison pill. When PeopleSupport put in place the poison pill  
4 Galleon was very unhappy with that.  
5 Q. And, did Mr. Rajaratnam say anything to you about that  
6 poison pill?  
7 A. Yes, he did.  
8 Q. What did he say about it?  
9 A. He said we should remove it.  
10 Q. Turning to the top of page 7 it says, on line 3: He is  
11 going to India next week, next Friday, for one week, uh... to  
12 uh... go talk to companies.  
13 Were you in India in May 2008?  
14 A. Yes, I did.  
15 Q. What was the purpose of your trip to India?  
16 A. To meet with companies that were prospective, either  
17 partners or acquirers of the PeopleSupport.  
18 Q. And it mentions on line 5 and -- 4 and 5 Credit Suisse is  
19 taking him to meet -- and it names a couple of companies.  
20 What, if anything -- what was Credit Suisse's relationship with  
21 PeopleSupport at the time?  
22 A. Credit Suisse were PeopleSupport's investment bankers.  
23 Q. And were they taking you to India?  
24 A. Yes. They had organized a trip and a number of meetings  
25 with Indian companies.

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1 Q. And Credit Suisse was investment bankers who were working  
2 on behalf of PeopleSupport?  
3 A. Yes. That's correct.  
4 Q. And Credit Suisse, were they providing you with advice in  
5 connection with PeopleSupport being acquired?  
6 A. Yes, they were.  
7 Q. What does that mean, in general, to be acquired?  
8 A. It means another company purchases our company.  
9 Q. And did you meet a number of companies in India during this  
10 trip?  
11 A. Yes, I did.  
12 Q. Was one of those companies the Essar Group?  
13 A. Yes, it was.  
14 Q. What, in general, is or was the Essar Group at the time?  
15 A. Essar Group is a large Indian conglomerate that owns  
16 companies in a number of industries. One of their divisions is  
17 called Aegis which is an outsourcing company similar to  
18 ourselves.  
19 Q. And at the time you went on this trip in May of 2008, was  
20 that public information that PeopleSupport had disclosed to the  
21 public that PeopleSupport, you, were going to India to talk to  
22 companies about being acquired?  
23 A. No, it was not.  
24 Q. Did board members of PeopleSupport learn that you were  
25 going to India to talk to companies about being acquired?

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1 A. Yes, they did.  
2 Q. And what, if anything, could the board members disclose to  
3 others regarding PeopleSupport's interest in potentially being  
4 acquired?  
5 A. Per our insider trading policy they should not disclose  
6 that information.  
7 Q. When PeopleSupport was considering being acquired, did  
8 there come a time when a particular company became the focus of  
9 acquiring PeopleSupport?  
10 A. Yes, there was.  
11 Q. What was that company?  
12 A. In this process after my trip to India it was Aegis, which  
13 was the division of Essar Group.  
14 Q. And was on documents and at -- were there documents  
15 prepared by Credit Suisse that referred to Aegis or Essar  
16 Group?  
17 A. Yes, there were.  
18 Q. Were any code names used relating to them?  
19 A. Yes, there was.  
20 Q. Do you remember the code name used for the Essar Group?  
21 A. Yes. The code name was Easter.  
22 Q. Why was there a code name for Essar Group called Easter?  
23 A. Oh, I think generally companies have code names for these  
24 sort of acquisitions so that the actual company name isn't  
25 floating around on documents, people can't see it.

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1 Q. In general, during this time where were PeopleSupport's  
2 outsourcing operations located?  
3 A. Primarily in the Philippines and then also in Costa Rica.  
4 Q. Describe, in general, what steps were taken in 2008 in  
5 connection with the Essar Group's interest in acquiring  
6 PeopleSupport.  
7 A. There were a number of meetings and phone calls with the  
8 Essar Group. There were discussions and offers to acquire the  
9 company. There were visits to our operations in our various  
10 locations and to our headquarters operations. There were due  
11 diligence reviews done of the company and its operations and  
12 prospects, a series of legal meetings, negotiations, contract  
13 discussions, etc.  
14 Q. And prior to PeopleSupport publicly disclosing and  
15 announcing the acquisition, what parts of those meetings and  
16 those conversations with the Essar Group were confidential?  
17 A. They were all confidential.  
18 Q. Mr. Rosenzweig, I would like to show you a series of  
19 documents marked for identification 1104, 1106, 1107-R, 1108,  
20 1109, 1113 through 1115. Take a moment to just look at the  
21 first one and we will go through in order.  
22 Do you recognize 1104 for identification?  
23 A. Yes, I do.  
24 Q. What is that?  
25 A. It's a minutes of the PeopleSupport board meeting of June

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1 12, 2008.  
2 Q. And did you attend that?  
3 A. Yes, I did.  
4 Q. Was Mr. Panu in attendance?  
5 A. Yes, he was.  
6 Q. Did this relate in any part to the potential acquisition of  
7 PeopleSupport by Essar Group?  
8 A. Yes, it did.  
9 MR. BRODSKY: Your Honor, we offer 1104.  
10 MR. LYNAM: No objection.  
11 THE COURT: Admitted.  
12 (Government's Exhibit 1104 received in evidence)  
13 BY MR. BRODSKY:  
14 Q. And if we can highlight the date and under attendance,  
15 Lance Rosenzweig and Mr. Panu's name.  
16 The other names that appear there, the directors, in  
17 general, who are they?  
18 A. They are the members of the board of directors.  
19 Q. And the other attendees, in general, who are they?  
20 A. They are the company's chief financial officers, outside  
21 counsel and Credit Suisse investment bankers.  
22 Q. Let's blow up the portion that says strategic transaction,  
23 no. 2, and if you can read under no. 2, Strategic Transaction,  
24 Mr. Rosenzweig?  
25 A. Mr. Rosenzweig opened the meeting by presenting an overview

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1 regarding a potential strategic transaction with a prospective  
2 counterparty (Easter). The Board discussed open issues  
3 regarding Easter. Representatives from Credit Suisse  
4 Securities and the board discussed matters relating to the  
5 forecasts prepared by management and the paring down of the  
6 prospective bidders for a strategic transaction based on  
7 results of the process, to date.  
8 Q. You made that presentation to the board, the first part  
9 when you opened the meeting?  
10 A. Yes, I did.  
11 Q. What overview did you give regarding the potential  
12 strategic transaction?  
13 A. You know, I don't exactly remember.  
14 Q. If we turn to page 2 on the -- blow up the first full  
15 paragraph. Can you read that?  
16 A. Mr. Rosenzweig reported on the status of Easter's due  
17 diligence and noted that in the course of Easter's  
18 investigation they were impressed with the company's operations  
19 and management and expressed enthusiasm at the prospect of a  
20 strategic transaction.  
21 Q. The reference to Easter, what does that refer to again?  
22 A. Essar Group and their Aegis division.  
23 Q. How available are these board minutes to the public during  
24 this time?  
25 A. They're not available to the public.

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1 Q. Why did -- why was the code name used in board minutes that  
2 aren't even available to the public at the time?  
3 A. Just to maintain the confidentiality of the transaction.  
4 Q. And it mentions the status of Easter's due diligence; what  
5 does that mean?  
6 A. That's their review of PeopleSupport.  
7 Q. What is the general process of due diligence?  
8 A. The general process is a company doing due diligence does a  
9 detailed analysis and assessment of the company just to make  
10 sure they want to buy it.  
11 Q. And, do those companies -- do those companies exchange  
12 information? In other words, did PeopleSupport and the Essar  
13 Group exchange information?  
14 A. Yes, we did.  
15 Q. Did you provide the Essar Group with access to  
16 PeopleSupport's books and records?  
17 A. Yes, we did.  
18 Q. What the Essar Group committed to -- withdrawn.  
19 Did they have to keep that information confidential?  
20 A. Yes, they did.  
21 Q. Why did they have to do that?  
22 A. They signed a confidentiality agreement to maintain that  
23 information confidentially. Also to make sure that it was not  
24 sent outside of the company.  
25 Q. Let me ask you to turn to 1106 and 1107-R, the attachment.

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1 Do you recognize 1106 with the attachment 1107-R?  
2 A. Yes, I do.  
3 Q. And what is it?  
4 A. 1106 is an e-mail from Caroline Rook, who is our chief  
5 financial officer, forwarding an e-mail from Ali Azim of Credit  
6 Suisse attaching a copy of the board materials that Credit  
7 Suisse was to present at the board meeting that day.  
8 Q. What is the day?  
9 A. June 30th, 2008.  
10 MR. BRODSKY: Your Honor, we offer 1106 and 1107-R.  
11 MR. LYNAM: No objection.  
12 THE COURT: Admitted.  
13 (Government's Exhibits 1106 and 1107-R received in  
14 evidence)  
15 BY MR. BRODSKY:  
16 Q. Can we blow up the top of 1106.  
17 Who are the recipients?  
18 A. Larry Bradford and Krish Panu.  
19 Q. And who is Mr. Bradford, another board member?  
20 A. Another board member.  
21 Q. Let's turn to the attachment, we can look at the first  
22 page.  
23 Can you read the first page, please?  
24 A. Confidential. Project Easter. Presentation to the board  
25 of directors. June 30, 2008.

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1 Q. Was this a presentation prepared by Credit Suisse?  
2 A. Yes, it was.  
3 Q. And Credit Suisse was the outside advisor to PeopleSupport?  
4 A. That's correct.  
5 Q. Let me ask you to turn to page 4. Would you read from the  
6 top, The overture from E company?  
7 A. Overture from E company. On June 13th, 2008, P received an  
8 offer from E to acquire all outstanding shares of P for \$13 to  
9 \$14 per share. Requesting exclusivity period of six weeks to  
10 perform diligence. Offer not subject to a financing condition.  
11 Q. And under the ongoing review of alternatives, would you  
12 read the first bullet point?  
13 A. As a result of the E offer, P's board has chosen to  
14 undertake a review of its alternatives, including a potential  
15 sale of the company.  
16 Q. At this time was PeopleSupport sure that they were going to  
17 go forward with an acquisition by Essar Group?  
18 A. No.  
19 Q. And what does it mean that the PeopleSupport's board has  
20 chosen to undertake a review of its alternatives?  
21 A. It means that the board will consider a sale of the company  
22 to Easter or other alternatives including potential sale to  
23 somebody else or not selling the company at all.  
24 Q. Let me ask you to turn to -- I think it is page 17 on the  
25 bottom right, page 18 of the document. What does it mean where

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1 it says purchase prior \$13 to \$14 per share for each share of  
2 P's common stock?  
3 A. That would mean that the price that Easter would pay would  
4 be in the range of \$13 to \$14 per share and that they would buy  
5 all of the company's stock.  
6 Q. And what is the next line where it says represents?  
7 A. Represents 37 to 47 percent premium to 60-day weighted  
8 average closing price of \$9.51.  
9 Q. And, in English, what does that mean?  
10 A. That means that our stock on the stock market was trading  
11 at \$9.51 and the price that they were offering was 37 to 47  
12 percent higher than that.  
13 Q. Let me ask you to turn to page 19, page 20 of the document.  
14 The next page, Ms. Pilcer.  
15 Is this a description of the Essar Group, in general?  
16 A. Yes, it is.  
17 Q. Can we blow up the portion where it says key management?  
18 Just blow up that box.  
19 Would you read the first two bullet points of key  
20 management?  
21 A. Shashi Ruia, chairman and Ravi Ruia, vice chairman.  
22 Q. Do you know who they are?  
23 A. Yes, I do.  
24 Q. In general, who was Shashi Ruia and Ravi Ruia?  
25 A. They were the chairman and vice chairman of the Essar

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1 Group. Also the principal owners of the company.  
2 Q. Are they related to each other?  
3 A. They are.  
4 Q. Let me ask you to turn to 1108 for identification. Do you  
5 recognize that?  
6 A. Yes, I do.  
7 Q. What is it?  
8 A. It's the minutes of the PeopleSupport board meeting of June  
9 30th, 2008.  
10 MR. BRODSKY: Your Honor, we offer it.  
11 MR. LYNAM: No objection.  
12 THE COURT: Admitted.  
13 (Government's Exhibit 1108 received in evidence)  
14 BY MR. BRODSKY:  
15 Q. Did you attend this meeting?  
16 A. Yes, I did.  
17 Q. Was Mr. Panu present?  
18 A. Yes, he was.  
19 Q. Let me direct your attention to the discussion of potential  
20 transaction, if we can blow up that paragraph. Were there  
21 continued discussions at the board regarding potential  
22 acquisition by the Essar Group, or Easter?  
23 A. Yes, there were.  
24 Q. Let me ask you to turn to 1109 for identification.  
25 Were those discussions at that time confidential as

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1 well?  
2 A. Yes, they were.  
3 Q. I'm going to ask you to turn to 1109 for identification; do  
4 you recognize that?  
5 A. Yes, I do.  
6 Q. What is the date of that?  
7 A. July 9, 2008.  
8 Q. And were you present?  
9 A. Yes, I was.  
10 Q. Was Mr. Panu present?  
11 A. Yes, he was.  
12 MR. BRODSKY: Your Honor, we offer 1109.  
13 MR. LYNAM: No objection.  
14 THE COURT: Admitted.  
15 (Government's Exhibit 1109 received in evidence)  
16 BY MR. BRODSKY:  
17 Q. Let me direct your attention to the strategic transaction  
18 section. Could you read the first paragraph, please?  
19 A. Mr. Rosenzweig opened the meeting by discussing the status  
20 of negotiations regarding the proposed strategic transaction  
21 (one prospective counter party Easter, another Ivy) Mr. Douthit  
22 and Mr. Azim from Credit Suisse Securities and Mr. Rosenzweig  
23 presented the status of the discussions and negotiations with  
24 the two prospects.  
25 Q. Would you read the next paragraph as well?

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1 A. It was reported that Ivy was moving slower than  
2 anticipated. Specifically, Ivy postponed its in-person  
3 diligence meeting in the Philippines by one week to the  
4 targeted dates of July 22nd and July 23rd.  
5 Q. What was Ivy?  
6 A. Ivy was another company.  
7 Q. And what was -- in this context what did it mean that Ivy  
8 was moving slower than anticipated?  
9 A. It meant that we expected them to move more quickly in  
10 their review of the company as a potential acquisition.  
11 Q. In the third paragraph it talks about Easter reducing its  
12 offer to \$12 per share and informing PeopleSupport that Easter  
13 would not proceed unless PeopleSupport confirmed that  
14 PeopleSupport was willing to proceed on the basis of a \$12 per  
15 share price.  
16 Do you see that?  
17 A. Yes.  
18 Q. Were those discussions about what specific share price  
19 Easter or the Essar Group was willing to pay for PeopleSupport  
20 confidential?  
21 A. Yes, they were.  
22 Q. Why were they confidential?  
23 A. Because that's Company information that was not  
24 disseminated to the public.  
25 Q. Let me ask you to turn to 1113 for identification.

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1 Before I ask you that, on the document we were just  
2 looking at, July 9th, had Essar Group given a firm offer of a  
3 specific price to acquire PeopleSupport at that time?  
4 A. They had given a price of \$12 a share but I don't know what  
5 firm means.  
6 Q. Let me ask you to turn to 1113 for identification.  
7 A. Okay.  
8 Q. Did you attend this meeting?  
9 A. Yes, I did.  
10 Q. And was Mr. Panu present?  
11 A. Yes, he was.  
12 MR. BRODSKY: We offer 1113.  
13 MR. LYNAM: No objection.  
14 THE COURT: Admitted.  
15 (Government's Exhibit 1113 received in evidence)  
16 BY MR. BRODSKY:  
17 Q. This is another PeopleSupport board meeting?  
18 A. Yes, it is.  
19 Q. Were the numbers of these meetings of the PeopleSupport  
20 board in 2008 more or less than as compared to 2007 or 2006?  
21 A. More.  
22 Q. And why was that?  
23 A. Significantly more because there were a lot of meetings in  
24 conjunction with this potential acquisition.  
25 Q. Let me direct your attention to the first full paragraph

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1 under strategic transaction and ask you to read that.  
2 A. Mr. Rosenzweig opened the meeting by presenting an overview  
3 of the status of negotiations regarding the proposed strategic  
4 transaction (one prospective counter party Easter, another  
5 Ivy). Mr. Rosenzweig provided a summary of his meetings in  
6 Mumbai, India, with Easter regarding price. He explained that  
7 the price in the discussions had been between \$11.88 and \$13,  
8 and that Easter would not go higher than \$12.25 per share.  
9 Q. Were you involved in these discussions regarding the  
10 specific price that Essar Group would agree to eventually pay  
11 for PeopleSupport stock?  
12 A. Yes, I was.  
13 Q. What is the date of this board meeting?  
14 A. July 28, 2008.  
15 Q. Can you turn to the next page, page 2 of that document, and  
16 blow up the first two paragraphs? Actually, that's fine, we  
17 can leave it at that. Can we highlight the first sentence?  
18 Can you read that, Mr. Rosenzweig?  
19 A. Mr. Rosenzweig provided that Monday was targeted as the  
20 sign/announce date.  
21 Q. What does that mean?  
22 A. That means that on Monday we were anticipating signing the  
23 transaction and then announcing it to the public.  
24 Q. And the next sentence?  
25 A. The board then discussed the transaction terms as proposed

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1 to date and the timing of the transaction.  
2 Q. Were the transaction terms, the date, the timing  
3 confidential?  
4 A. Yes, they were.  
5 Q. Mr. Panu, what were Mr. Panu's obligations at this time  
6 with respect to this information in terms of telling others  
7 outside PeopleSupport?  
8 A. He was to maintain this confidentially.  
9 Q. And was Mr. Panu able to trade based on this information at  
10 this time?  
11 A. He was not.  
12 Q. Could Mr. Panu give this information regarding the timing  
13 of the deal and the price to another person to let them trade?  
14 A. That would have violated the company's insider trading  
15 policy.  
16 MR. BRODSKY: Your Honor, at this time I would like to  
17 play Government Exhibit -- I would like to offer Government  
18 Exhibit 539 and play the call.  
19 MR. LYNAM: Your Honor, may we approach on this one,  
20 please?  
21 THE COURT: Would you like to approach?  
22 MR. LYNAM: Yes, please.  
23  
24  
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1                      (At side bar)

2                      MR. LYNAM: Your Honor, we again object to the

3 government playing Exhibit 539. This is a transcript recording

4 of a call between Mr. Rajaratnam and Mr. Goel on July 30th.

5 Mr. Goel, as I understand it, is going to be a witness at the

6 trial, the government will be calling him. We will have an

7 opportunity to confront him about this call when he is on the

8 stand. But, to play this with this witness at this time, we

9 believe, is inappropriate. We can't confront the witness about

10 the call, he never heard the call, wasn't party to a call, and

11 the person who is on the call is going to be testifying at

12 trial so we object.

13                      MR. BRODSKY: Your Honor, I would like to direct your

14 attention to page 2, line 27 - 37, I apologize, your Honor.

15 That is the part where Mr. Rajaratnam informs Mr. Goel that the

16 Ruias have made a firm bid and provides the specific amount.

17 We are happy to offer this subject to connection that Mr. Goel

18 will take the stand and they can cross-examine him.

19                      THE COURT: What questions do you have for this?

20                      MR. BRODSKY: I'm going to ask him whether this was

21 public information, that Ruias had made a firm bid in the

22 amount of \$12.25 and if this information had been disclosed

23 would that violate the insider trading policies.

24                      THE COURT: This goes by somebody --

25                      MR. BRODSKY: This goes by a board member.

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1                      MR. LYNAM: Your Honor, he has already asked the

2 witness that. The witness has already answered that, that the

3 information was confidential. He has already established that.

4 This is not necessary to establish that point. The witness has

5 already testified to that.

6                      THE COURT: I think the government can use this.

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1                      (In open court)

2                      MR. BRODSKY: Your Honor, we would like to offer 539

3 and 539-T.

4                      THE COURT: Admitted.

5                      (Government's Exhibits 539 and 539-T received in

6 evidence)

7 BY MR. BRODSKY:

8 Q. I would like to show Mr. Rosenzweig the transcript of 539

9 T. I would like to play the call. Before we play it, can we

10 blow up the top of the page?

11                      Mr. Rosenzweig, is this dated July 30th, 2008?

12 A. Yes, it is.

13 Q. 2:02 p.m.?

14 A. Yes, it is.

15 Q. Was this two days after the board meeting that we just

16 looked at in Government Exhibit 11:13?

17 A. Yes, it was.

18                      MR. BRODSKY: All right, please play it from the

19 beginning.

20                      (Audio file played)

21 Q. Mr. Rosenzweig, let me direct your attention, and if we can

22 blow it up on the screen, bottom of page 2, lines 37 through

23 the end of the page, let me direct your attention to line 37

24 where Mr. Rajaratnam says: Yeah, yeah, so the Ruias made a

25 firm bid now.

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1                      Was it public or non-public at the time of this

2 conversation on July 30th, 2008, that the Ruias had made a firm

3 bid to purchase PeopleSupport?

4 A. I don't recall the date of the actual press release when we

5 disclosed it to the public.

6 Q. Let me show you Government Exhibit 117 for identification.

7 Please take a moment to look at that. Do you recognize 117 for

8 identification?

9 A. Yes, I do.

10 Q. What is that?

11 A. This is the press release announcing the transaction.

12 Q. What is the date of it?

13 A. August 4, 2008.

14 Q. Days after this telephone call on July 30th, 2008?

15 A. That's correct.

16                      MR. BRODSKY: Can we publish 117 before we go back to

17 the July 30th, telephone call?

18                      We offer 117. I'm sorry.

19                      MR. LYNAM: No objection.

20                      THE COURT: Admitted.

21                      (Government's Exhibit 117 received in evidence)

22 BY MR. BRODSKY:

23 Q. Would you read the announcement on August 4, 2008?

24 A. PeopleSupport to merge with Essar Services (Mauritius) a

25 wholly-owned subsidiary of Aegis (BPO), the combination to

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1 create a global BPO leader. Aegis BPO, a leading global  
2 business processing outsourcing (BPO) provider and part of the  
3 Essar Group, one of India's largest and fastest growing  
4 business conglomerates with an estimated enterprise value of  
5 over \$50 billion and PeopleSupport, (Nasdaq PSPT), a leading  
6 offshore BPO provider, today announced a definitive agreement  
7 to merge through Essar Services (Mauritius) its wholly-owned  
8 subsidiary through a cash transaction with an aggregate equity  
9 value of approximately \$250 million. This strategic  
10 combination has been unanimously approved by the Boards of  
11 Directors.  
12 Q. Can you go to paragraph 2, did you read the first sentence?  
13 A. Under the terms of the agreement, Aegis BPO will pay  
14 PeopleSupport stockholders \$12.25 per share in cash through  
15 Essar Services (Mauritius) which represents a premium of  
16 approximately 29 percent over PeopleSupport's closing price per  
17 share on August 1, 2008, the last trading day prior to today's  
18 announcement, and a premium of approximately 42 percent over  
19 the average trading price of the company's shares during the  
20 previous 30 trading days.  
21 Q. Let me ask you to go back to the telephone call on July  
22 30th, 2008 and turn to the second page, go to lines 37 through  
23 43, if we can blow that up.  
24                      When Mr. Rajaratnam said: Yeah, yeah, so the Ruias  
25 made a firm bid now, on July 30th, 2008, was that confidential

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1 information or public information?  
2 A. That was confidential information.  
3 Q. Then the press release on August 4th said the Essar Group  
4 announced that the Essar Group is acquiring PeopleSupport. Who  
5 are the Ruias again?  
6 A. They were the chairman and vice chairman and principal  
7 owners of the Essar Group.  
8 Q. And then on line 41 where Mr. Rajaratnam said: In the  
9 amount \$12.25. Do you see that?  
10 A. Yes, I do.  
11 Q. Was the amount by which the Ruias or Essar Group was going  
12 to pay \$12.25 per share of PeopleSupport stock public or  
13 confidential on July 30th, 2008?  
14 A. It was confidential.  
15 Q. Let me ask you to turn to 1114 and 1115 for identification.  
16 Do you recognize those?  
17 A. Yes, I do.  
18 Q. And what are they?  
19 A. Minutes of the board meetings on August 1st and August 3rd,  
20 2008.  
21 Q. And on the one for August 1st, does that relate also to the  
22 acquisition by Essar Group of PeopleSupport?  
23 A. Yes, it does.  
24                      MR. BRODSKY: We offer it.  
25                      MR. LYNAM: No objection.

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1                      THE COURT: Admitted.  
2                      (Government's Exhibit 1114 received in evidence)  
3 BY MR. BRODSKY:  
4 Q. Did Mr. Panu attend this as well?  
5 A. Yes, he did.  
6 Q. What were you telling, informing the board about during  
7 this meeting?  
8 A. I was informing them about the status of negotiations  
9 regarding the Essar Group and that Ivy, which was the second  
10 company interested in acquiring us, had withdrawn from their  
11 negotiations.  
12 Q. Let me ask you to turn to the August 3rd, 2008 board  
13 minutes, Government Exhibit 1115 for identification. Were you  
14 present for that?  
15 A. Yes, I was.  
16 Q. Was Mr. Panu present?  
17 A. Yes, he was.  
18 Q. Did this relate to the acquisition by the Essar Group or  
19 the Ruias of PeopleSupport?  
20 A. Yes, it did.  
21                      MR. BRODSKY: Your Honor, we offer 1115.  
22                      MR. LYNAM: No objection.  
23                      THE COURT: Admitted.  
24                      (Government's Exhibit 1115 received in evidence)  
25 BY MR. BRODSKY:

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1 Q. In general, what happened at the board meeting on August  
2 3rd, 2008?  
3 A. In general, the board approved the acquisition, the merger.  
4 Q. And then they announced it the next day that we just looked  
5 at?  
6 A. That's correct.  
7                      (Continued on next page)  
8                      (Continued on next page)  
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1        MR. BRODSKY: One moment, your Honor.  
2        (Pause)  
3 Q. Showing you what's marked as Government Exhibit 1132 for  
4 identification.  
5        Do you recognize that, Mr. Rosenzweig?  
6 A. Yes, I do.  
7 Q. What is that?  
8 A. It is an e-mail from myself to Raj Rajaratnam with a copy  
9 of the press release that had been issued.  
10       MR. BRODSKY: We offer it, your Honor.  
11       MR. LYNAM: No objection.  
12       THE COURT: Admitted.  
13       (Government's Exhibit 1132 received in evidence)  
14       MR. BRODSKY: Just blow up the part, right there.  
15 Thank you.  
16 Q. Mr. Rosenzweig, you sent this e-mail to Mr. Rajaratnam?  
17 A. Yes, I did.  
18 Q. And this was after the public announcement?  
19 A. Yes, it was.  
20 Q. Do you remember the conversation you had with  
21 Mr. Rajaratnam?  
22 A. Not specifically.  
23 Q. Why did you call him?  
24 A. I called as a courtesy to let him know that we had publicly  
25 announced the decision to sell our company.

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1 Q. Is that something you understood Mr. Rajaratnam wanted to  
2 happen?  
3 A. The transaction?  
4 Q. Yes.  
5 A. I'm not sure.  
6 Q. Let me ask you -- I will show you a couple of exhibits.  
7 After -- before I do that, after the board announced  
8 the transaction, what, if anything, happened in October 2008?  
9 A. In October 2008 we were getting close to closing the  
10 transaction. And so there was a shareholder meeting invoked  
11 and there was a situation where the Essar Group had requested  
12 additional time to close the transaction.  
13 Q. In general, what was happening with the economy in  
14 October -- in early October 2008?  
15 A. The markets were in a horrible situation and there was a  
16 loss of liquidity in the markets.  
17 Q. By liquidity, what do you mean?  
18 A. It means it was difficult to come up with cash.  
19 Q. And what, if anything, happened in early October 2008 with  
20 respect to this transaction?  
21 A. Essar contacted us and told us that because of the  
22 liquidity problems in the economy that they needed an extra --  
23 I think it was around two weeks to close the deal.  
24 Q. And what happened next?  
25 A. PeopleSupport announced that to the public.

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1 Q. And after PeopleSupport announced that to the public, what,  
2 if anything, happened to PeopleSupport's stock price?  
3 A. The stock price dropped significantly.  
4 Q. On the day that PeopleSupport's stock price was dropping,  
5 what were you doing?  
6 A. I was involved in discussions with our advisors and also  
7 with Essar to work out the revised terms of the agreement and  
8 the revised closing schedule.  
9 Q. And on October 7, were you able to work out a revised  
10 agreement?  
11 A. We did.  
12 Q. And what if any information about the trouble with -- the  
13 prospective trouble of closing the deal and then working out an  
14 agreement with the Essar Group was conveyed to the board?  
15 A. All of the information.  
16 Q. And that includes Mr. Panu?  
17 A. Yes, it does.  
18 Q. And what if any of that information between the time the  
19 press release was announced on October 7 2008 until the end of  
20 the day, the developments that were occurring were  
21 confidential?  
22 A. All of them.  
23 Q. Did there come a time when PeopleSupport announced to the  
24 public that they had worked things out after initially issuing  
25 the first press release?

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1 A. Yes, there was.  
2 Q. And when did that happen?  
3 A. That was at the end of that day.  
4 Q. After the market had closed?  
5 A. After the market had closed.  
6 Q. And what happened, if anything, to PeopleSupport's stock  
7 price after that press release was issued, the following day?  
8 A. The following day the stock price went back up.  
9 Q. I'd like to show you a couple of exhibits in connection  
10 with this.  
11       MR. BRODSKY: One moment, your Honor.  
12       THE COURT: Yes.  
13       (Pause)  
14 Q. I'm going to show you exhibits 1133 for identification and  
15 1120 for identification.  
16       Do you recognize those?  
17 A. Yes, I do.  
18 Q. What are they?  
19 A. 1133 is an e-mail exchange between various parties, Todd  
20 Noffke, Steve Rusmisl and Rob Katz.  
21 Q. What does it relate to?  
22 A. It relates to the information we received from Essar that  
23 they wanted to delay the closing until October 31.  
24       MR. BRODSKY: Your Honor, we offer 1133.  
25       MR. LYNAM: No objection.



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1                                    AFTERNOON SESSION  
2                                    2:07 p.m.  
3                                    (Trial resumed)  
4                                    THE COURT: Jury entry.  
5                                    (Jury present)  
6                                    THE COURT: Please take your seats.  
7                                    Mr. Brodsky, you may continue.  
8                                    MR. BRODSKY: Thank you, your Honor.  
9                                    DIRECT EXAMINATION CONTINUED  
10                                    BY MR. BRODSKY:  
11 Q. Mr. Rosenzweig, prior to lunch, I wanted to show you a  
12 stock chart.  
13                                    MR. BRODSKY: Could you put up Government Exhibit 119  
14 in evidence.  
15 Q. Mr. Rosenzweig, this is a Bloomberg stock chart for  
16 PeopleSupport between the dates of June 26, 2008 and August 7,  
17 2008. Do you see that chart?  
18 A. I do.  
19 Q. Now, Government Exhibit 113, if we can put that up briefly  
20 or can we put them side-to-side.  
21                                    Government Exhibit 113 in evidence was the board  
22 meeting you held on July 28. It's on the screen.  
23                                    Do you see that there?  
24 A. Yes, I do.  
25 Q. And on July 28, 2008 -- Ms. Pilcer can you highlight the

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1 announcement?  
2 A. Well it looks like -- two things happened. One is it went  
3 up significantly from 9 or 9.50 a share, up to just under \$12 a  
4 share; and second, the volume of trading was very high that  
5 day.  
6 Q. The volume represented by the bar graph at the bottom?  
7 A. Yes.  
8                                    MR. BRODSKY: Can we just focus in -- take way the  
9 press release and just focus in on the graph so we can see the  
10 graph.  
11                                    So can we highlight the significant increase in the  
12 stock price part.  
13 Q. Mr. Rosenzweig, before we broke I showed you a number of  
14 exhibits related to developments that occurred on October 6,  
15 2008 and October 7, 2008.  
16                                    Do you remember that?  
17 A. I do.  
18 Q. Let me show you those exhibits and bring up a number of  
19 others and ask you to keep them in the stack next to you as we  
20 go through them.  
21                                    The first one is Government Exhibit 1130 in evidence.  
22                                    Before the break do you remember we talked about this  
23 exhibit?  
24 A. I do.  
25 Q. And this was on October 6, 2008?

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1 general area where July 28 is on the stock chart.  
2                                    Do you see that there, Mr. Rosenzweig?  
3 A. Yes, I do.  
4 Q. Now on July 28, that was the board meeting where you told  
5 the board that Monday was the targeted announce day?  
6 A. Yes.  
7 Q. And then we looked at Government Exhibit 539T in evidence.  
8 Put that up next to the stock chart.  
9                                    That was a conversation dated July 30, 2008.  
10                                    Do you remember we heard that conversation?  
11 A. I do.  
12 Q. And on the second page at the bottom of the conversation we  
13 highlighted a certain part where Mr. Rajaratnam said, "Yeah,  
14 yeah, so the Ruias made a firm bid now in the amount of 12.25."  
15                                    Do you see that?  
16 A. I do.  
17 Q. Can we put up Government Exhibit 1117 in evidence.  
18                                    This was the public announcement made by PeopleSupport  
19 of the acquisition?  
20 A. Yes. That's correct.  
21 Q. And this is the first time PeopleSupport publicly announced  
22 that its company was going to be acquired?  
23 A. That's correct.  
24 Q. What happened, looking at the stock chart next to it, what  
25 happened to the price of PeopleSupport stock after the

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1 A. Yes.  
2 Q. Why was it necessary to have a -- it says BOD. What does  
3 that stand for?  
4 A. Board of directors.  
5 Q. Why was it necessary to have a board of directors update  
6 call on October 6, 2008?  
7 A. Because there was a significant change to the acquisition  
8 transaction.  
9 Q. What was that significant change, again?  
10 A. It was that the buyers, Essar Group, had requested to move  
11 back the closing date to October 31.  
12 Q. Why is it significant that the buyers, the Essar Group,  
13 were requesting to move back the closing date of the  
14 transaction?  
15 A. I think because it created uncertainty as to the likelihood  
16 of the transaction closing.  
17 Q. Please explain that.  
18 A. Since the buyers were saying that they needed more time to  
19 finance the transaction, that created concern whether they  
20 could actually finance the transaction.  
21 Q. When you say finance the transaction, you mean pay for it?  
22 A. Right. Come up with the money for the transaction.  
23 Q. And, again, this was at a time of upheaval in the markets?  
24 A. Correct.  
25 Q. Can you turn to Government Exhibit 1127 in evidence.

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1                      Does this show you had more than one board call on  
2 October 6, 2008 relating to this event?  
3 A. Yes, it does.  
4 Q. And if we turn to Government Exhibit 1133 in evidence.  
5                      You talked about this prior to lunch. If we focus in  
6 on the bottom of what -- the bottom e-mail from Robert Katz.  
7                      Can you tell us who those parties are to that e-mail?  
8 A. Yes. Robert Katz was with Shearman & Sterling, which is  
9 counsel to Essar Group. And Stephen Rusmiser and Donovan Burke  
10 were counsel for PeopleSupport at Pillsbury.  
11 Q. And who is copied on the e-mail?  
12 A. Stephen Bensen, who is another attorney at Shearman &  
13 Sterling.  
14 Q. So the counsel to Essar Group, what does that mean? The  
15 lawyers for --  
16 A. The lawyers for Essar Group.  
17 Q. Were talking with the lawyers for your company?  
18 A. Correct.  
19 Q. And what were the lawyers talking about?  
20 A. They were talking about, in conjunction with a move of the  
21 closing date to October 31, what else will happen.  
22 Q. And at the top of the e-mail where there's a discussion --  
23 if we can go back to the top of the e-mail -- Credit Suisse.  
24 Who did they represent, the person Todd Noffke?  
25 A. He represented PeopleSupport.

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1 Q. And he's communicating with counsel to?  
2 A. To PeopleSupport.  
3 Q. PeopleSupport.  
4                      And it says, again, project Easter closing. That  
5 relates to what again?  
6 A. The acquisition of PeopleSupport by Essar.  
7 Q. And the statement says, "To be clear, Aparup," who is  
8 Aparup?  
9 A. Aparup was the CEO of Aegis.  
10 Q. Which is a division of the Essar Group?  
11 A. Correct.  
12 Q. Owned by the Ruias?  
13 A. Correct.  
14 Q. And it says, "Aparup agreed on the call with me to put the  
15 \$40 million in on the soft close."  
16                      The \$40 million was what again?  
17 A. The amount of money to be put in escrow.  
18 Q. Soft close. Can you explain what that meant?  
19 A. Soft close meant that the documents are signed but that the  
20 transaction is not actually closed on that date.  
21                      And in this case it also meant that closing conditions  
22 have been met.  
23 Q. And you testified this morning that the escrow never took  
24 effect?  
25 A. Correct.

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1                      MR. BRODSKY: Can we turn to 1120. I'm not sure this  
2 is in evidence, but I offer it.  
3                      MR. LYNAM: No objection, your Honor.  
4                      THE COURT: Admitted.  
5                      (Government's Exhibit 1120 received in evidence)  
6 Q. What is Exhibit 1120, Mr. Rosenzweig?  
7 A. It's a press release by PeopleSupport on October 7.  
8 Q. Was this press release issued on October 7, 2008?  
9 A. Yes, it was.  
10 Q. Before the market opened or after the market opened?  
11 A. I'm sorry. It's before the market opened.  
12 Q. And by that it's before any shares of PeopleSupport stock  
13 were traded in on NASDAQ?  
14 A. That's correct.  
15 Q. Would you read the announcement and the paragraph.  
16 A. "PeopleSupport, Inc. The company, a leading offshore  
17 business process outsourcing BPO provider, today announced that  
18 it has received a request from Essar Services Mauritius Essar  
19 Services to schedule the closing and effective date of the  
20 merger by which Essar Services will acquire PeopleSupport for a  
21 date no later than October 31, 2008. The company is currently  
22 evaluating this request by Essar Services."  
23 Q. What does that mean in plain language? You received at the  
24 time a request from Essar Services to schedule the closing for  
25 a date no later than October 31?

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1 A. It meant that they wanted to delay the closing up until  
2 October 31.  
3 Q. And the second sentence where it says, "The company is  
4 currently evaluating this request by Essar Services," what did  
5 that mean?  
6 A. That means that the company was considering the request and  
7 working out the details with Essar.  
8 Q. Who at the company at this time on October 7 was evaluating  
9 the request?  
10 A. It would have been the senior management team, the board of  
11 directors, outside counsel, and investment bankers.  
12 Q. So that included you?  
13 A. Included myself, yes.  
14 Q. Did it include Mr. Panu?  
15 A. Yes, it did.  
16 Q. Can we put up Government Exhibit 120 in evidence.  
17                      Mr. Rosenzweig, you're looking at a Bloomberg stock  
18 chart showing the price and the volume of PeopleSupport trading  
19 from June 2, 2008 through October 10, 2008.  
20                      Do you see that?  
21 A. I do.  
22 Q. And on the left-hand portion of the chart right in the  
23 middle that's the August 4, 2008 announcement where it spikes  
24 up?  
25 A. Yes, that's correct.

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1 Q. And can you identify where the October 7 date occurred  
2 after the press release was issued?  
3 A. It's the precipitous drop toward the right side.  
4        MR. BRODSKY: Can we highlight that.  
5 Q. So after the press release was issued on October 7,  
6 PeopleSupport stock dropped significantly?  
7 A. Correct.  
8 Q. Now, during the day of October 7 were you working from  
9 morning to in the afternoon on trying to negotiate a  
10 resolution?  
11 A. Yes, I was.  
12 Q. And were you having conversations with the board of  
13 directors?  
14 A. Yes, I was.  
15 Q. Do you have before you Government Exhibit 1135 for  
16 identification?  
17        Do you recognize that?  
18 A. Yes, I do.  
19 Q. And in general what is this document?  
20 A. It's an e-mail from Stephen Rusmisl, who was the counsel  
21 to PeopleSupport, to Rob Katz, who was the counsel to Essar  
22 Group, saying that the company -- do you want me to generally  
23 describe what the document says?  
24 Q. Does this relate to the negotiations after the press  
25 release was issued by PeopleSupport in the morning and as the

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1 October 7, 2008?  
2 A. Yes, it is.  
3        MR. BRODSKY: We offer 1134.  
4        MR. LYNAM: No objection, your Honor.  
5        THE COURT: Admitted.  
6        (Government's Exhibit 1134 received in evidence)  
7 Q. This is counsel to your company responding to or sending an  
8 e-mail to counsel for the Essar Group?  
9 A. Correct.  
10 Q. And he describes the state of play as of 12:55 Eastern  
11 Standard Time?  
12 A. Correct.  
13 Q. So the time in the top is the Pacific Time 9:54 a.m.?  
14 A. That looks correct.  
15 Q. And looking at the e-mail before it and the first e-mail,  
16 blow those two up from the top to the bottom.  
17        In general, what is counsel to -- what is  
18 PeopleSupport's counsel telling you and what are you  
19 responding?  
20 A. Counsel is telling me what they would like PeopleSupport to  
21 be able to publicly report is that Essar has confirmed its  
22 intention to proceed with the acquisition; that the acquisition  
23 is not subject to financing, but that due to the unprecedented  
24 disruption in the global capital markets, that they've  
25 requested a delay until October 31.

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1 price of PeopleSupport stock started to drop?  
2 A. Yes. That's correct.  
3        MR. BRODSKY: We offer 1135, your Honor.  
4        MR. LYNAM: No objection.  
5        THE COURT: Admitted.  
6        (Government's Exhibit 1135 received in evidence)  
7 Q. In general what do these e-mail communications relate to on  
8 1135?  
9 A. They relate to a negotiation between the company and Essar  
10 to resolve the terms of what will happen prior to the 31st of  
11 October. And essentially it's saying that the company would  
12 agree to delay the closing to October 31. But it wanted an  
13 interim or soft closing on October 14.  
14 Q. And what did -- was that eventually what happened?  
15 A. It is.  
16 Q. And by soft closing on October 14, what, if anything, did  
17 the Essar Group have to do to close on October 14?  
18 A. The Essar Group had to agree that the conditions to closing  
19 were satisfied as of that date.  
20 Q. What were the general conditions of closing?  
21 A. That there was no material adverse change in the company's  
22 performance and other conditions which I don't recall the  
23 specific conditions.  
24 Q. Let's turn to Government Exhibit 1134 for identification.  
25 Is this another e-mail relating to the negotiations on

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1        And then my reply to the attorney is that I left him a  
2 voice mail and e-mail.  
3 Q. Can you turn to Government Exhibit 1136 for identification.  
4        Is this another e-mail exchange between counsel for  
5 PeopleSupport and PeopleSupport employees relating to the  
6 negotiations with Essar Group on this day, October 7?  
7 A. That's correct.  
8        MR. BRODSKY: We offer 1136.  
9        MR. LYNAM: No objection.  
10        THE COURT: Admitted.  
11        (Government's Exhibit 1136 received in evidence)  
12 Q. What's happening in this e-mail exchange?  
13 A. In this e-mail exchange the attorney for PeopleSupport is  
14 letting the attorney for Essar know that the -- we are  
15 currently in the board meeting and about to approve the  
16 agreement and issue the press release and we wanted  
17 confirmation from Essar that they approved the release if we  
18 deleted a last line which reads funding of the transaction will  
19 occur by October 31, 2008, which he said was unnecessary and  
20 redundant.  
21 Q. So these are final negotiations towards the end of the day?  
22 A. Correct.  
23 Q. And the time at the top 3:46 p.m. is Pacific Time?  
24 A. I believe so, yes.  
25 Q. If we turn to 1121 for identification. What is that?

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1 A. This is the press release that went out later that  
2 afternoon announcing the agreement to move the transaction to  
3 October 31. And providing detail behind the agreements that  
4 were reached.  
5 Q. What happened to the stock price after this announcement  
6 was made?  
7 A. Per the prior chart it went back up but not quite to the  
8 level it was before, but up significantly.  
9 MR. BRODSKY: Can we put up the prior chart,  
10 Government Exhibit 120.  
11 Q. So on the right-hand side of the chart there is that dip  
12 down on October 7 and then the rise back up on October 8. Is  
13 that what you're talking about?  
14 A. That is, yes.  
15 Q. So the next day the stock bounced back; not to the same  
16 level but it bounced back?  
17 A. Correct.  
18 Q. Now, during the day on October 7, after the first press  
19 release was issued as the stock started to fall and before the  
20 end of the day, were board members privy to confidential  
21 information about the negotiations?  
22 A. Yes, they were.  
23 Q. In general, what negotiations or what confidential  
24 information?  
25 A. Confidential information regarding all those e-mails that

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1 we talked about; so the discussion of the agreement to move the  
2 date to October 31 and the agreements by SR in conjunction with  
3 that.  
4 Q. And were board members permitted to trade that day during  
5 the day?  
6 A. They were not.  
7 Q. Were board members permitted to tell their friends or  
8 others and to let them trade?  
9 A. They were not.  
10 Q. Now, if Mr. Panu told others at Galleon pursuant to a need  
11 to know basis based on the agreement, the nondisclosure  
12 agreement he had with PeopleSupport, was anybody at Galleon  
13 permitted to trade?  
14 A. I think that would have been in violation of the company's  
15 insider trading policy.  
16 MR. BRODSKY: Your Honor, we offer 1121, the press  
17 release that went out after the close on October 7, 2008.  
18 MR. LYNAM: No objection.  
19 THE COURT: Admitted.  
20 (Government's Exhibit 1121 received in evidence)  
21 Q. This is the press release that went out after the day on  
22 October 7 that caused the stock to bounce back?  
23 A. Correct.  
24 Q. Would you just read the first paragraph.  
25 A. "PeopleSupport, Inc., NASDAQ, PSPT, the company, a leading

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1 offshore business process outsourcing BPO provider, and Essar  
2 Services, Mauritius, Essar Services, today announced that  
3 subject to approval by PeopleSupport's stockholders, at the  
4 special meeting to be held on October 8, 2008, the closing  
5 under the merger agreement and effective date of the merger by  
6 which Essar Services will acquire PeopleSupport is expected to  
7 take place no later than October 31, 2008."  
8 Q. Let me stop you right there.  
9 It says "subject to approval by PeopleSupport  
10 stockholders at a special meeting to be held on October 8."  
11 What was that special meeting?  
12 A. That was a meeting where the stockholders actually vote on  
13 whether they want to do the merger or not.  
14 Q. So these events occurred within two days, 48 hours of the  
15 stockholders needed to vote on whether to go forward with  
16 the -- the acquisition of PeopleSupport?  
17 A. That's correct.  
18 Q. And did Galleon vote their shares on October 8, 2008 in  
19 favor of the acquisition?  
20 A. I believe they did.  
21 Q. Can you read the fourth paragraph -- or the second  
22 paragraph, the first sentence.  
23 A. "Essar Services confirmed its intention to complete the  
24 acquisition of PeopleSupport and also reaffirmed that the  
25 transaction is not subject to financing."

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1 Q. What did that mean, that they were not only confirming  
2 their intention to complete the transaction but stating that  
3 the transaction is not subject to financing?  
4 A. It means it wasn't contingent on them being able to raise  
5 the money.  
6 Q. And the last paragraph, would you read that?  
7 A. "The parties announced that they have reached an agreement  
8 in principle which will provide that certain significant  
9 conditions to closing, including that the company's  
10 representations and warranties remain true and that the company  
11 has not experienced any material adverse effect will be deemed  
12 fully satisfied as of October 14, 2008. The parties also noted  
13 that they have agreed to waive the condition relating to  
14 filings with the Committee on Foreign Investment in the United  
15 States under the Exon-Florio provision.  
16 Q. And this was good news for the company, this press release?  
17 A. Yes, it was.  
18 Q. And prior to this press release being issued did the board  
19 approve of it?  
20 A. The board did.  
21 MR. BRODSKY: Your Honor at this time we'd like to  
22 play 654 in evidence and ask everyone to turn to the transcript  
23 654T.  
24 Q. I'm showing you, Mr. Rosenzweig, a transcript, 654T.  
25 THE COURT: Is there anything in the transcript



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1    subject to the Court's instructions?  
2        MR. LYNAM: No, your Honor.  
3        MR. BRODSKY: This is October 7.  
4        Before we get there, could you highlight again the  
5    first half of the first page.  
6    Q. Mr. Rosenzweig, does this say October 7, 2008 at 1:46 p.m.?  
7    A. Yes, it does.  
8    Q. This was during the day, correct?  
9    A. Correct.  
10 Q. All right. Let's hit play.  
11        (Audio recording played)  
12        MR. BRODSKY: Put up Government Exhibit 120. And blow  
13    up the right-hand portion of the chart.  
14 Q. Mr. Rosenzweig, directing your attention to the first page  
15    where Mr. Rajaratnam said, "The stock went down 2.79, okay, on  
16    October 7 at about 1:46 p.m."  
17        Was the stock, during the day, dropping over two  
18    dollars?  
19 A. Yes. It looks like it did.  
20 Q. And turning to the next page, on page two at the top where  
21    Mr. Rajaratnam said, "We know because, ah, one of our guys is  
22    on the board."  
23        Who was Galleon's nominee on the board of directors of  
24    PeopleSupport?  
25 A. It was Krish Panu.

13H9RAJ4                      Rosenzweig - direct                      Page 1103

1    Q. Mr. Rajaratnam then said, "We know that they're gonna put  
2    41 million dollars in escrow."  
3        Was there any public information available to the  
4    public about the negotiations over the escrow amount?  
5    A. No, there wasn't.  
6    Q. The next line where it says, "It's a 250 million dollar  
7    deal, right."  
8        That was the deal -- the 250 million dollar deal was  
9    publicly announced on August 4, 2008?  
10 A. Correct.  
11 Q. On line seven when Mr. Rajaratnam said, "And I know they're  
12    gonna close before October 31st. So I can't buy anymore  
13    because I own 25 percent of the company."  
14        The negotiations between PeopleSupport and Essar Group  
15    were about whether the close would take place on October 31?  
16 A. Correct. As well as other related topics.  
17        (Continued on next page)  
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13H9RAJ4                      Rosenzweig - direct                      Page 1104

1    BY MR. BRODSKY:  
2    Q. And then where Mr. Rajaratnam says, so I can't buy any more  
3    because I own 25 percent of the company, Galleon owned  
4    approximately what percent of the company of PeopleSupport?  
5    A. Approximately 25 percent.  
6    Q. And on line 17 where Mr. Rajaratnam said: I know the deals  
7    gonna get done at \$12.25 which is 3 bucks above here, right?  
8        Do you see that?  
9    A. I do.  
10 Q. The deal that \$12.25 had been announced in the August 4,  
11    2008 press release?  
12 A. Correct.  
13 Q. The stock was dropping on October 7 during this  
14    conversation because why?  
15 A. Because Galleon -- I'm sorry, because Essar had requested a  
16    delay until closing October 31st.  
17 Q. So the public wasn't sure if the deal was going to get  
18    done?  
19 A. Correct.  
20        MR. BRODSKY: One moment, your Honor? (pause)  
21 Q. May I ask you to look at lines 22 through 29 on the  
22    transcript? Can you pull that up on page 2?  
23        Mr. Rosenzweig, you don't know Mr. Goel?  
24 A. No, I don't.  
25 Q. And you're not aware of a Charles Schwab account that is

13H9RAJ4                      Rosenzweig - direct                      Page 1105

1    discussed in this call?  
2    A. No, I'm not.  
3    Q. On line 27 when Mr. Rajaratnam said from line 22 he said:  
4    I went to Charles Schwab, I put in your thing and I wanted to  
5    buy 30,000 shares, right, because I'm a hundred percent sure.  
6    Right.  
7        Do you see that?  
8    A. I do.  
9    Q. What happened at the end of the day on October 7th, 2008?  
10 A. PeopleSupport issued the subsequent press release.  
11 Q. And that press release said the deal was going to go  
12    through?  
13 A. Correct.  
14        MR. BRODSKY: No further questions, your Honor.  
15        THE COURT: Mr. Lynam?  
16        MR. LYNAM: Yes, your Honor.  
17    CROSS EXAMINATION  
18    BY MR. LYNAM:  
19 Q. Good afternoon, Mr. Rosenzweig.  
20 A. Good afternoon.  
21 Q. My name is Terence Lynam, I represent Mr. Rajaratnam.  
22 A. Can you repeat your last name, please?  
23 Q. Lynam. Terence Lynam.  
24 A. Lynam, thank you.  
25 Q. Mr. Rosenzweig, am I correct, you were one of the founders

13h5raj5                      Rosenzweig - cross                      Page 1114

1 Q. And, in August, the board adopted the shareholder rights  
2 plan under the terms that are described in this document,  
3 right? That's the date it happened in August 2007?  
4 A. That's correct.  
5 Q. Now, am I correct that the way this works is that if any  
6 other shareholder acquires above 10 percent of the stock then  
7 the existing shareholders get a benefit by being able to buy  
8 more shares at 50 percent of the normal price, right?  
9 A. Correct.  
10 Q. Let's look at the second paragraph there. Can you  
11 highlight the second paragraph under the rights plan, please?  
12 Can you read that, please?  
13 A. Under the rights plan, PeopleSupport's board of directors  
14 declared a dividend of one right for each share of  
15 PeopleSupport's common stock outstanding on September 7, 2007.  
16 The rights will become exercisable only upon certain events,  
17 including the acquisition of 10 percent of PeopleSupport's  
18 common stock by a person or group unless PeopleSupport's board  
19 of directors believes the transaction is fair. For  
20 stockholders and their affiliates who already own 10 percent of  
21 PeopleSupport's common stock, the rights will not be triggered  
22 unless such persons purchase additional shares after August 28,  
23 2007.  
24 Q. Galleon already owned more than 10 percent of the stock,  
25 right?

13h5raj5                      Rosenzweig - cross                      Page 1116

1 the stock went down and Galleon did want to buy more because  
2 they thought it was a cheap price stock. They could only buy  
3 more if they were willing to let the rest of the shareholders  
4 buy stock at 50 percent of the price, right?  
5 A. Correct.  
6 Q. That really wasn't a good deal for Galleon and  
7 Mr. Rajaratnam said so, right?  
8 A. I don't want to comment on whether it was a good deal for  
9 Galleon but Mr. Rajaratnam did say so.  
10 Q. He told you that he was not happy with the fact that this  
11 provision had been enacted, right?  
12 A. Correct.  
13 Q. He thought that it singled out Galleon and punished Galleon  
14 for being a large shareholder, right?  
15 A. I don't recall him saying that.  
16 Q. He wasn't happy with the provision, right?  
17 A. Correct.  
18 Q. And he wasn't happy with some of the other things that the  
19 company management was doing, right?  
20 A. Correct.  
21 Q. And he expressed them to you, right?  
22 A. He did.  
23 Q. Now, as I understand it, your company was based in  
24 California with your headquarters office staff there but most  
25 of your employees were in the Philippines, is that right?

13h5raj5                      Rosenzweig - cross                      Page 1115

1 A. Yes.  
2 Q. So this really only applied to Galleon, isn't this right?  
3 A. No. This applied to any shareholder who would acquire  
4 above 10 percent of PeopleSupport's common stock.  
5 Q. Right, but Galleon was already over 10 percent, right?  
6 A. Correct.  
7 Q. So that meant that it automatically applied if Galleon  
8 acquired any more stock this provision applied, right?  
9 A. Correct.  
10 Q. Which meant that if Galleon wanted to buy more stock  
11 because it thought it was in its investors' interest, this  
12 poison pill kicked in and you and the other shareholders got a  
13 benefit, right?  
14 A. If they bought more stock?  
15 Q. Yes. If Galleon decided to buy more stock, this provision  
16 kicked in and you and the other shareholders, not Galleon, got  
17 the benefit of buying stock at 50 percent of the price, right?  
18 A. Correct.  
19 Q. So that was a benefit to you that Galleon wouldn't have,  
20 right?  
21 A. It was a benefit to all shareholders who were not above the  
22 10 percent.  
23 Q. And you were still a shareholder at that time, right?  
24 A. I was, yes.  
25 Q. So, as a result Galleon could not -- let's say the price of

13h5raj5                      Rosenzweig - cross                      Page 1117

1 A. That's right.  
2 Q. You had thousands of employees in the Philippines, correct?  
3 A. That's correct.  
4 Q. They would man call centers and take calls from people who  
5 would call up for things from hotel reservations to computer  
6 problems?  
7 A. Yes, that's correct.  
8 Q. So, one of the things Mr. Rajaratnam expressed his  
9 dissatisfaction with the management of the company was that you  
10 were engaging in buying real estate in the Philippines, right?  
11 A. I believe that's right. Yes.  
12 Q. He wasn't happy with the fact that the company, which was  
13 supposed to be answering phones, was instead investing in real  
14 estate in the Philippines, right?  
15 A. No, I don't think that's correct.  
16 Q. Well, let's talk a look at Defendant's Exhibit 4567. Do  
17 you have Exhibit 4567 in front of you?  
18 A. I do.  
19 Q. Is that another document that was filed with the Securities  
20 and Exchange Commission involving PeopleSupport?  
21 A. Yes, it is.  
22 Q. And attached to that document is there a letter from  
23 Galleon to the management of PeopleSupport including yourself?  
24 A. Yes, there is a --  
25 Q. The last three pages?

13h9raj6 Phan - direct Page 1162

1 Q. Did you ever have any conversations with him?  
2 A. No.  
3 Q. Before you is Government Exhibit 1101 in evidence. Do you  
4 see that?  
5 A. Yes.  
6 Q. What is that?  
7 A. This is a letter from Krish Panu to the board of directors  
8 of PeopleSupport.  
9 Q. And that's in February 2008?  
10 A. Yes. February 29.  
11 Q. Let me ask you to turn to Government Exhibit 1102 in  
12 evidence. Do you recognize it?  
13 A. Yes.  
14 Q. How do you recognize it?  
15 A. This is our standard nondisclosure agreement.  
16 Q. Did you have any role in drafting or compiling this  
17 agreement?  
18 A. Yes. This is the boilerplate that we use for folks. I  
19 believe this is something we also ask our people who are  
20 interviewing or talking to us about being board members, we ask  
21 them to sign this.  
22 Q. Prior to them joining the board?  
23 A. Yeah, that was our procedure.  
24 Q. If you look on the last page, whose signatures do you see?  
25 A. It's mine and Krish's.

13h9raj6 Phan - direct Page 1163

1 Q. And what's the date?  
2 A. March 4, 2008.  
3 Q. If we go to the -- can you describe, first, in general what  
4 the purpose of this agreement was on March 4, 2008 between  
5 PeopleSupport and Mr. Krish Panu?  
6 A. This is to kind of inform Mr. Panu that he would be getting  
7 confidential information relating to the company. It set forth  
8 his obligation to keep that information confidential. And it  
9 provides for certain obligations to return documents, not  
10 solicit employees, and not to trade in the company's stock  
11 based on confidential information that he receives.  
12 Q. Let's go over a few of those that you've just mentioned.  
13 Was it your understanding this would apply, this  
14 agreement, 1102 in evidence, would apply just between the time  
15 Mr. Panu -- before he joined the board up until the time he  
16 joined the board, or would the general provisions apply  
17 throughout the time that he was on the board?  
18 A. It would be something that would apply to him once he has  
19 confidential information, once he signs it and continues.  
20 Q. Did you have a conversation with Mr. Panu about it?  
21 A. Yes, I did.  
22 Q. Did he understand that this agreement applied to  
23 confidential information?  
24 A. Yes.  
25 Q. And did Mr. Panu understand that the agreement applied

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1 while he was a board member?  
2 A. Yes.  
3 Q. Let's look at the first page, the first couple of --  
4 MR. BRODSKY: Blow up the first half.  
5 Q. Would you read the first line of the agreement and then the  
6 first whereas clause.  
7 A. "This nondisclosure agreement, the agreement, is by and  
8 between PeopleSupport, Inc., a Delaware corporation,  
9 hereinafter company, and the undersigned individual,  
10 hereinafter recipient."  
11 Q. The recipient is?  
12 A. Krish Panu.  
13 Q. Would you read the first whereas clause?  
14 A. "Whereas recipient has requested information from company."  
15 Q. And the second one?  
16 A. "Whereas, in respect of recipient's request, the company  
17 may disclose to recipient confidential, important, and/or  
18 proprietary trade secret information concerning the company and  
19 its activities."  
20 Q. Now the first whereas clause, did that mean that this  
21 agreement would only apply from time to time when Mr. Panu  
22 requested information?  
23 A. No. The gist of this agreement is to apply to confidential  
24 information and the obligation to keep that confidential  
25 information confidential.

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1 Q. So if Mr. Panu was attending board meetings in 2008, and he  
2 learned confidential information, even though he didn't request  
3 it, would the confidentiality provisions of this agreement  
4 apply?  
5 A. Yes. Well, he's also -- he's also bound by it as a board  
6 member with a fiduciary duty to keep it confidential.  
7 Q. We'll talk about that in a minute, Mr. Phan.  
8 Let's go to the provision on paragraph three.  
9 Would you read that, the bottom of the page and then  
10 at the top of page two.  
11 A. "Recipient and its representatives shall not disclose any  
12 of the confidential information in any manner whatsoever,  
13 except as provided in paragraphs 4 and 5 of this agreement, and  
14 shall hold and maintain the confidential information in  
15 strictest confidence for a period of five years from the date  
16 of disclosure. Recipient hereby agrees to indemnify company  
17 against any and all losses, damages, claims, expenses, and  
18 attorneys' fees incurred or suffered by company as a result of  
19 a breach of this agreement by recipient or its  
20 representatives."  
21 Q. If you boil that down to some simple words, what does that  
22 provision essentially mean?  
23 A. It requires Krish Panu to keep any confidential information  
24 that he has, to keep it confidential. And it extends to any of  
25 his representatives as well.

<p>13h5raj7 Phan - direct Page 1174</p> <p>1 BY MR. BRODSKY: 2 Q. 1115 in evidence, did you attend that board meeting? 3 A. Yes. 4 Q. And what happened on August 3rd, 2008 at the board of 5 PeopleSupport? 6 A. We approved the acquisition by Aegis. 7 Q. You say Aegis, is that the same as Essar Group? 8 A. Yes. 9 Q. And are you familiar with the owners of the Essar Group? 10 A. Yes, the primary owners are the Ruias family. 11 Q. How do you spell that, R-U-I-A-S? 12 A. Correct. 13 Q. Was Mr. Panu present for this board of directors meeting? 14 A. I believe he had called in, yes. He was an attendee but he 15 called. 16 Q. If you look at the top where it says attendance, directors 17 present, do you see his name? 18 A. I do. 19 Q. You have 117 in front of you in evidence? 20 A. Yes, I do. 21 Q. What is 117? 22 A. It is a press release announcing the merger. 23 Q. Prior to this press release being issued, did the board 24 learn confidential information about Essar Group's interest in 25 acquiring PeopleSupport?</p>	<p>13h5raj7 Phan - direct Page 1176</p> <p>1 A. Yes. 2 Q. Was the fact that the Ruias made a bid at all for 3 PeopleSupport stock prior to August 4th, 2008 confidential 4 information? 5 A. Yes. 6 Q. Could anyone on the board of directors of PeopleSupport 7 trade based on that information? 8 A. They shouldn't have. 9 Q. And, could anybody on the board of PeopleSupport provide it 10 to someone at Galleon so someone at Galleon could trade on it? 11 A. No. 12 Q. And let me direct your attention to line 41 where it says 13 in the amount of \$12.25. Do you see that? 14 A. Yes. 15 Q. Is 12.25 the amount publicly announced as the Essar Group's 16 offer for PeopleSupport stock on August 4, 2008? 17 A. I believe so. 18 Q. Do you want to take a look at 1117? Can we put that up 19 side by side with this exhibit? 20 A. Yes. 21 Q. Can we blow up the second paragraph and highlight the 22 12.25? 23 A. Yes, it was. 24 Q. Was the amount that the Essar Group or the Ruias offering 25 per share to acquire PeopleSupport stock confidential prior to</p>
<p>13h5raj7 Phan - direct Page 1175</p> <p>1 A. Yes. 2 Q. What, if any of that information, could board members use 3 to trade in the securities of PeopleSupport? 4 A. None. 5 Q. What, if any of that information, could Mr. Panu provide to 6 Galleon so someone at Galleon could trade in the securities of 7 PeopleSupport? 8 A. No one could trade using that information. 9 Q. Does that include friends of Mr. Panu or friends of people 10 at Galleon? 11 A. Correct. 12 Q. Let me ask you to look at 539-T in evidence. Mr. Phan, I'm 13 showing you a transcript of a conversation that took place on 14 July 30, 2008 at 2:02 p.m. Do you see that at the top? 15 A. Yes. 16 Q. This was before PeopleSupport announced to the public it 17 was being acquired? 18 A. Correct. 19 Q. The press release we just looked at? 20 A. Yeah. The announcement is on August 4th and this is July 21 30. 22 Q. Let me direct your attention to the second page, lines 37 23 through 43. Do you see where it says Mr. Raj Rajaratnam: 24 Yeah, yeah, so the Ruias made a firm bid now. 25 Do you see that?</p>	<p>13h5raj7 Phan - direct Page 1177</p> <p>1 August 4th, 2008? 2 A. Yes. 3 Q. Was it confidential on July 30th, 2008? 4 A. Yes. 5 Q. Could anybody on the PeopleSupport board trade based on 6 knowing that that was the offer made by the Ruias or the Essar 7 Group? 8 A. No. 9 Q. Could anybody on the PeopleSupport board give that 10 information to someone at Galleon so that someone at Galleon 11 could trade in their account or someone else's account? 12 A. No. 13 Q. After the PeopleSupport announcement, the August 4th, 2008 14 announcement was made about the acquisition of PeopleSupport do 15 you remember, in general, what happened to PeopleSupport stock? 16 A. Vaguely. It may have gone up a little bit. 17 Q. Can we put up Government Exhibit 11 in evidence? 18 Mr. Phan, I'm showing you the Bloomberg stock chart of 19 PeopleSupport stock trading between June 26, 2008 and August 7, 20 2008. 21 Do you see that? 22 A. Yes. 23 Q. Let me direct your attention to August 4, 2008. Do you see 24 the spike up in share price? 25 A. Yes.</p>



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1 And Rajiv Goel was part of that group specifically  
2 supporting the sector that I was responsible for, which is  
3 mobility sector.  
4 Q. Describe in general your relationship with Mr. Goel when he  
5 worked at Intel while you were there.  
6 A. Rajiv was -- I had a team that I was running in mobility  
7 sector as part of the -- one part of my job. And I had people  
8 that were investing in companies.  
9 And Rajiv effectively had two functions. One was to  
10 help the investment managers in that group think about  
11 structuring deals. The other part of his job was to manage the  
12 portfolio of companies that were in the portfolio within the  
13 mobility sector.  
14 Q. You used the word portfolio. What do you mean by portfolio  
15 of companies?  
16 A. So the number of companies that Intel would invest in is in  
17 the hundreds over the years. And a good number of them were in  
18 the mobility sector that Intel had -- Intel capital had  
19 invested in. And it was Rajiv as the treasury group leader to  
20 ensure that the maximum benefit for Intel could be derived from  
21 those companies.  
22 Q. From 2006 through 2008, who did you report to when you  
23 worked at Intel?  
24 A. I had the unique privilege of reporting to multiple people  
25 within Intel given my multiple roles. I reported to Mr. Aruind

13L9RAJ3 Viswanathan - direct Page 1307

1 Sodhani, who is the president of Intel capital.  
2 I reported to Dadi Perlmutter, who is the head of the  
3 mobility group.  
4 And I also had a dotted line reporting structure to  
5 Mr. Sean Maloney, who is the head of sales and marketing.  
6 Q. During that same period of time, who did Mr. Goel report  
7 to?  
8 A. I believe he reported to Mr. Ravi Jacob.  
9 Q. And did you know Mr. Goel's title between 2006 and 2008 at  
10 Intel treasury?  
11 A. I believe his title was managing director, mobility sector,  
12 treasury group, if I'm not mistaken.  
13 Q. Did he supervise other individuals?  
14 A. I think so.  
15 Q. What was the largest transaction that you worked on while  
16 you were at Intel from 2006 through 2008?  
17 A. By largest I assume you mean largest in transaction size?  
18 Q. Yes.  
19 A. The largest was the Clearwire transaction.  
20 Q. What is Clearwire?  
21 A. Clearwire is a company that actually delivers a 4G service  
22 called Clear in the U.S.  
23 Q. Before we talk a little bit about the Intel Clearwire  
24 transaction in 2008, let's talk a little bit about Intel's  
25 relationship with Clearwire.

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1 Approximately when did you first become involved with  
2 respect to Clearwire?  
3 A. When you say "you," you mean Intel?  
4 Q. Intel.  
5 A. The relationship at Clearwire predated the 2007/2008  
6 timeframe that you are alluding to. It actually started way  
7 earlier. I think it was in the 2004/2005 timeframe.  
8 Q. In 2004 was Clearwire a public company or a private  
9 company?  
10 A. It was a private company.  
11 Q. And did Intel invest money in Clearwire when Clearwire was  
12 a private company?  
13 A. Correct. We did.  
14 Q. Approximately when was the first investment that Intel made  
15 in Clearwire?  
16 A. I think it was in the year 2004 or 2005 timeframe we had a  
17 small investment at that time as a private company.  
18 Q. Approximately how much money do you remember was the first  
19 investment Intel made into Clearwire?  
20 A. It was \$20 million.  
21 Q. And subsequent to that, did Intel make another investment  
22 into Clearwire?  
23 A. Correct.  
24 Q. Approximately how much money was the next investment Intel  
25 made into Clearwire?

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1 A. \$600 million.  
2 Q. And then after Intel had made the \$20 million investment  
3 and then the \$600 million investment, did Clearwire stay a  
4 private company or did it become a public company?  
5 A. After we had invested, after a few months after that, it  
6 did become a public company.  
7 Q. Approximately when was that?  
8 A. This was in 2007, I believe.  
9 Q. In 2007 when Clearwire became a public company, was it  
10 public knowledge that Intel had invested \$620 million into  
11 Clearwire?  
12 A. It was public knowledge that Intel had invested \$600  
13 million. I do not believe we disclosed how much we invested in  
14 the original \$20 million at that time.  
15 Q. After Clearwire became a public company, did there come a  
16 time -- let me ask you something about Clearwire being a public  
17 company.  
18 Where were Clearwire's shares traded after they became  
19 a public company in 2007?  
20 A. It was the NASDAQ.  
21 Q. After Clearwire became a public company and its shares  
22 traded on NASDAQ, did there come a time when Intel made another  
23 investment into Clearwire?  
24 A. Correct.  
25 Q. Approximately when was Intel's next investment in Clearwire

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1 like that with this witness.  
2 THE COURT: Let's proceed.  
3 (Continued on next page)  
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1 Q. On the next page, on page 3, where Mr. Goel says, "There is  
2 a meeting, there is board meeting, Intel has a board meeting in  
3 fact today." Do you see that?  
4 A. Yes.  
5 Q. Is the fact that Intel Corporation has a board meeting  
6 confidential or does Intel disclose to the public that they are  
7 conducting a board meeting?  
8 A. Intel does not disclose to the public.  
9 Q. Is the topics of conversation at that board meeting that  
10 you attended on March 19, 2008, were those topics alone  
11 confidential, or could an Intel employee disclose to others  
12 outside of Intel the topics under consideration at a board  
13 meeting?  
14 A. It's absolutely confidential and at no time anybody can  
15 talk about it externally to the company.  
16 Q. Based on your conversations with Mr. Goel, do you  
17 understand Mr. Goel understood the rules of confidentiality  
18 applying to both the terms of the transaction and the board  
19 meeting?  
20 A. I would have absolutely expected that since he is from  
21 treasury and he is well versed in transactions of this nature.  
22 Q. Let me ask you to turn to Government Exhibit 503T in your  
23 binder.  
24 MR. BRODSKY: We offer 503T, the transcript of the  
25 recorded conversation and 503. We offer it subject to

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1 (In open court)  
2 BY MR. BRODSKY:  
3 Q. Mr. Viswanathan, were you able to find 502T?  
4 MR. BRODSKY: Your Honor, we offer it subject to  
5 connection.  
6 THE COURT: Admitted.  
7 (Government's Exhibits 502 and 502T received in  
8 evidence)  
9 A. Yes.  
10 MR. BRODSKY: Can we put that on the screen and then  
11 blow up the top of the document 502T?  
12 Q. Mr. Viswanathan, this says the date is March 19, 2008, at 8  
13 p.m. Do you see that?  
14 A. Yes.  
15 Q. Can we play that?  
16 (Audiotape played)  
17 Q. Mr. Viswanathan, do you see page 2, at the bottom of the  
18 page, line 36, where Mr. Goel says, "I was supposed to meet  
19 Sriram today." Do you see that?  
20 A. Yes.  
21 Q. Do you recall whether you were supposed to meet with  
22 Mr. Goel on March 19, 2008, the same day as the board meeting  
23 that we just looked at in Government Exhibit 1045?  
24 A. I don't recall a specific meeting that I was supposed to  
25 have.

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1 connection.  
2 THE COURT: Admitted.  
3 (Government's Exhibits 503 and 503T received in  
4 evidence)  
5 MR. BRODSKY: Can we publish that?  
6 Can you blow up the top of that document, Ms. Pilcer?  
7 Q. Is this a conversation on March 20, 2008? Is that what it  
8 says on the transcript, Mr. Viswanathan?  
9 A. Yes. It says March 20, 2008.  
10 MR. BRODSKY: At this time, we would like to play  
11 503T.  
12 THE COURT: Proceed.  
13 (Audiotape played)  
14 Q. Mr. Viswanathan, let me ask you to turn to page 2. I  
15 direct your attention to line 7.  
16 Before I ask you this, on line 1, where Mr. Goel says,  
17 "Did you digest the information I gave you." Do you see that?  
18 A. Yes.  
19 Q. Did Intel authorize, to your knowledge, Mr. Goel to talk  
20 about the ongoing discussions with Sprint, Clearwire and the  
21 strategic investor group to anyone outside Intel?  
22 A. Absolutely not.  
23 Q. Was Mr. Goel authorized in any way to discuss this  
24 transaction with Galleon?  
25 A. Absolutely not.

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1 Q. Or Mr. Rajaratnam?  
2 A. Absolutely not.  
3 Q. Let me direct your attention to line 7, where Mr.  
4 Rajaratnam says, "This is how I would analyze it. You guys put  
5 600 million, right." Do you see that?  
6 A. Yes.  
7 Q. The \$600 million that Intel had invested in Clearwire that  
8 you earlier described this morning, prior to Clearwire becoming  
9 a public company, that was public information you said?  
10 A. Correct.  
11 Q. On line 11, where Mr. Rajaratnam said, "And then you put a  
12 billion." Do you see that?  
13 A. Yes.  
14 Q. The billion dollars that Intel's board of directors on  
15 March 19, 2008 approved to be invested in this new entity, was  
16 that public information?  
17 A. No.  
18 Q. Why was that confidential? Why didn't Intel just issue a  
19 report that the board had authorized a billion dollars to be  
20 spent on this new entity on March 19, 2008, after the board  
21 approved it?  
22 A. Well, the board approved subject to negotiations and all  
23 the other terms getting completed, and getting a formal  
24 approval from the executive committee of the board. So the  
25 deal was far from completed at the time of the board approval

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1 in March.  
2 Q. Under the terms of the confidentiality agreements with  
3 Clearwire and Sprint and the other participants, could Intel  
4 have disclosed to the outside world some of the terms under  
5 negotiation?  
6 A. Certainly not.  
7 Q. Let me ask you to look at -- there is discussion about  
8 Intel getting 10 percent of the new entity. Do you see that on  
9 line 19?  
10 A. Yes.  
11 Q. And then on page 3, there is discussion of the equity  
12 splits with Clearwire and Mr. McCaw and Intel. Do you see  
13 that?  
14 A. Yes.  
15 Q. Was information about the equity splits being discussed  
16 with Clearwire and Sprint and the strategic investor group  
17 confidential information?  
18 A. Yes, it was confidential.  
19 Q. Mr. Goel's disclosure of information about the equity  
20 splits, did that violate Intel's rules of confidentiality?  
21 A. Absolutely.  
22 Q. Let me ask you to turn to page 4, from lines 3 through 6,  
23 where Mr. Rajaratnam mentions Google, and on line 6 Mr. Goel  
24 mentions Comcast.  
25 Could Mr. Goel disclose the names of the other

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1 participants in the strategic investor group to anyone outside  
2 Intel?  
3 A. Absolutely not.  
4 Q. And on the bottom of that page 4, where Mr. Rajaratnam says  
5 at line 34, "So you're putting a collar," and there is a  
6 discussion of the collar. Do you see that?  
7 A. Yes.  
8 Q. The collar discussed here is 17 to 20. Do you see that,  
9 \$17 to \$20?  
10 A. On line number 20 you mean?  
11 Q. On line 20, yes.  
12 A. Yes.  
13 Q. The actual collar was \$17, the actual floor of the collar?  
14 A. That's correct.  
15 Q. And what was the ceiling?  
16 A. \$23.  
17 Q. Was the existence of the collar alone as a term subject to  
18 negotiation with the other participants confidential?  
19 A. Very much so.  
20 Q. Was Mr. Goel authorized in any way to disclose that to  
21 anyone outside Intel?  
22 A. No.  
23 Q. On page 5, line 10, you see where Mr. Rajaratnam says, now  
24 the new entity will have 3.5 or 3-1/2 billion dollars in cash.  
25 Do you see that?

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1 A. Yes.  
2 MR. BRODSKY: Can you put up Government Exhibit 1150  
3 in evidence, page 2737. If we can put it up side by  
4 side -- you can leave that up. That's fine. Just blow up the  
5 bottom box.  
6 Q. Does this term sheet in Government Exhibit 1150, entitled  
7 Project Rain and dated March 18, 2008, say the proposal is \$3.5  
8 billion being contributed by the strategic investor group and  
9 Intel?  
10 If we highlight the third bullet and the fourth  
11 bullet. 2.5 billion and the 1 billion. Do you see that?  
12 A. Yes, I do see that.  
13 Q. Is that \$3.5 billion?  
14 A. Correct.  
15 Q. On March 18, 2008, that proposal of the contribution of the  
16 total of \$3.5 billion between Intel and the strategic investor  
17 group, was that confidential?  
18 A. Absolutely.  
19 Q. If I could ask you to turn to page 6 of the transcript?  
20 MR. BRODSKY: We can leave the term sheet up and go to  
21 page 2740 of the term sheet.  
22 Can we blow up the bottom of the term sheet there?  
23 Q. Let me direct your attention on page 6 of the transcript,  
24 on line 39, where Mr. Goel said, "There is going to be 13  
25 members," and he continues on line 43, "on the board." Do you

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1 see that?  
2 A. Yes.  
3 Q. What was the proposal on March 18, 2008 in terms of the  
4 number of board members as reflected in Government Exhibit 1150  
5 on page 2740?  
6 A. It was anticipated that the Newco board would comprise of  
7 13 directors.  
8 Q. The directors themselves, the number and the makeup, was  
9 that confidential?  
10 A. Absolutely.  
11 Q. Was Mr. Goel allowed to disclose that information to anyone  
12 outside Intel?  
13 A. No.  
14 MR. BRODSKY: At this time, I would like to play only  
15 a portion of 504, and reflected in 504T, it would be the eighth  
16 page from line 10 through the end of the page.  
17 THE COURT: Proceed.  
18 MR. BRODSKY: Thank you, your Honor.  
19 Q. Mr. Viswanathan, let me ask you to turn to 504T. Do you  
20 have that before you?  
21 A. Yes.  
22 Q. And turn to the eighth page, and starting at line 10, where  
23 it says, Raj Rajaratnam: OK.  
24 If I could ask you to turn to the first page, Mr.  
25 Viswanathan.

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1 MR. BRODSKY: Can we blow up the first page of 504T?  
2 Q. Does that say the date is March 20, 2008, 9:11 p.m.?  
3 A. Yes. It says March 20, 2008.  
4 Q. The day of your board meeting, where the board of directors  
5 of Intel authorized an investment of up to \$1 billion subject  
6 to continued negotiations, what day was that?  
7 A. That was March 19.  
8 Q. The day before?  
9 A. Correct.  
10 Q. All right. Let me ask you to turn to page 8, starting at  
11 line 10.  
12 MR. BRODSKY: If we can play that, Ms. Kuntz.  
13 (Audiotape played)  
14 Q. Let me direct your attention on 504T, the transcript of the  
15 March 20, 2008 conversation, on page 8, at line 39, where  
16 Mr. Goel says, "But yesterday our board approved this deal."  
17 Do you see that?  
18 A. Yes.  
19 Q. Mr. Rajaratnam says, "I see." Do you see that?  
20 A. Yes.  
21 Q. The approval by the board of directors the day before on  
22 March 19 that you just discussed today, was that confidential?  
23 A. Absolutely.  
24 Q. Was Mr. Goel allowed to disclose that to anyone outside  
25 Intel?

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1 A. Certainly not.  
2 Q. And he wasn't allowed to disclose it to Galleon or Mr.  
3 Rajaratnam?  
4 A. Correct.  
5 Q. Mr. Goel didn't attend that board meeting, correct?  
6 A. That's correct.  
7 Q. Do you remember whether you had a conversation with  
8 Mr. Goel following the board meeting in which he learns the  
9 status?  
10 A. I don't specifically remember Mr. Goel, but I certainly  
11 would have had meetings with my deal team, my organization, to  
12 talk about the outcome of the board meeting.  
13 Q. If Mr. Goel had attended any of those meetings, would that  
14 have been unusual or usual?  
15 A. It would not have been unusual for him to attend any of the  
16 meetings, nor for me to just seek his counsel on the terms.  
17 Q. Let me show you Government Exhibit 1151 for identification.  
18 Is Government Exhibit 1151 for identification a Wall  
19 Street Journal article dated March 26, 2008?  
20 A. Yes. I see it.  
21 Q. Is it entitled, "Comcast, Time Warner Cable in wireless  
22 talks"?  
23 A. Yes, it is.  
24 MR. BRODSKY: We offer 1151.  
25 MR. LYNAM: No objection.

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1 THE COURT: Admitted.  
2 (Government's Exhibit 1151 received in evidence)  
3 Q. Do you recall the Wall Street Journal coming out with an  
4 article on March 26, or the evening of March 25, 2008,  
5 regarding Comcast, Time Warner in wireless talks?  
6 A. I don't recall the specific date, but I do recall articles  
7 in the press along these lines.  
8 Q. In looking at this article, the first paragraph talks about  
9 the two biggest U.S. cable providers, Comcast and Time Warner,  
10 are discussing a plan to provide funding for a new wireless  
11 company that would be operated by Sprint Nextel Corp. and  
12 Clearwire Corp., people familiar with the talks say.  
13 Do you see that?  
14 A. Yes.  
15 Q. Does that paragraph identify who the people familiar with  
16 the talks?  
17 A. No, it does not.  
18 Q. Is there any mention in this article of the collar that was  
19 discussed or under discussion?  
20 A. Well, I haven't read the whole article. If you give me a  
21 minute, I will scan it.  
22 It doesn't seem that there was a mention of the  
23 collar.  
24 Q. Does it mention anything about the Intel board meeting on  
25 March 19, 2008, seven days before this article?



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1 (In open court)  
2 THE COURT: Did counsel have any evidentiary issues  
3 that they wanted to surface?  
4 MR. BRODSKY: We had one.  
5 THE COURT: Please take your seats.  
6 MR. BRODSKY: We had one that we were raising relating  
7 to the 13-F filings that came into evidence yesterday through  
8 Ms. Holloway. We had two essential objections to doing that  
9 going forward. The first is that the relevance of a Galleon  
10 Management 13-F filing that reflects trading by Galleon but  
11 doesn't have any foundation basis tying that trading to  
12 Mr. Rajaratnam is of questionable, if any, relevance.  
13 THE COURT: Well they're already in evidence. Are you  
14 moving to strike?  
15 MR. BRODSKY: Well I'd love to move to strike, your  
16 Honor. If your Honor is inclined to move to strike, we  
17 certainly move to strike. But that bell has been rung in front  
18 of the jury.  
19 THE COURT: Yes.  
20 MR. BRODSKY: But going forward, we anticipate the  
21 defense may try to do the same thing. So we want to flag the  
22 issue for your Honor. A 13-F filing that reflects Galleon  
23 trading as of a particular moment in time is completely  
24 misleading because it suggests that Mr. Rajaratnam did the  
25 trading. And unless the defense can show and tie that trading

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1 to Mr. Rajaratnam, A. it's irrelevant; and B. to the extent it  
2 has any relevance, it is unduly prejudicial because it misleads  
3 the jury and confuses the jury into believing that trading is  
4 done by Mr. Rajaratnam.  
5 THE COURT: Mr. Lynam, did you want to respond?  
6 MR. LYNAM: I think we can anticipate that at some  
7 point in the trial the government is going to be presenting a  
8 lot of evidence about trading and who traded in the various  
9 different funds at Galleon. I think that will all be brought  
10 out clearly. I'm sure the government will have its opportunity  
11 to clarify whatever they feel needs to be clarified about that.  
12 That was a public document. It was filed with the  
13 SEC. And I think it's entitled to be put in evidence for what  
14 it says. And the government can clarify with whatever evidence  
15 they're going to put on. They haven't yet tied up any trading.  
16 So I assume they will be. And they can clarify it at that time  
17 if they think it needs to be.  
18 THE COURT: I think, Mr. Brodsky, we can see how it  
19 plays out. I understand your point. It's not obvious to me  
20 that defense counsel is going to attempt to use the document in  
21 a way that confuses the jury. And if that's, in your view,  
22 about to happen, bring it to my attention and we'll deal with  
23 it right then.  
24 MR. BRODSKY: Thank you, your Honor. We just -- we  
25 would suggest that what happened yesterday was misleading to

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1 the jury simply because, first of all, they're showing their  
2 document to a witness who has no idea what the document is. So  
3 all they're doing is reading it to the jury for a purpose. And  
4 their purpose is obvious. It's to show that Galleon had some  
5 trading done prior to Hilton in March of 2007 and perhaps June  
6 of 2007, I think it was.  
7 However, if Mr. Rajaratnam is not making -- doing  
8 those trades, or executing those trades, or causing those  
9 trades to be executed, it's simply irrelevant; and moreover,  
10 misleads the jury into believing that somehow the position held  
11 by Galleon in those months is relevant to the government's  
12 charge, which is that on July 3, 2007 Rajaratnam caused trades  
13 to be made based on inside information. And that's the charge.  
14 Trading that occurred before it, which is not tied to the  
15 defendant, should not be admissible in evidence. And we will  
16 raise it with your Honor should they bring it up in the future.  
17 THE COURT: All right.  
18 Thank you, counsel. 2:00.  
19 (Luncheon recess)

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1 AFTERNOON SESSION  
2 2:05 p.m.  
3 (Trial resumed; jury present)  
4 THE COURT: Please take your seats.  
5 Mr. Brodsky will the government call its next witness  
6 please.  
7 MR. BRODSKY: Your Honor, the government calls Rajiv  
8 Goel.  
9 RAJIV GOEL,  
10 called as a witness by the Government,  
11 having been duly sworn, testified as follows:  
12 THE COURT: Good afternoon, Mr. Goel.  
13 Mr. Brodsky.  
14 DIRECT EXAMINATION  
15 BY MR. BRODSKY:  
16 Q. Mr. Goel, how old are you?  
17 A. I am 52-and-a-half years old.  
18 Q. Where are you from?  
19 A. (No response).  
20 Q. Where were you born?  
21 A. I was born in Mumbai, India.  
22 Q. When did you come to the United States?  
23 A. 1982, January.  
24 Q. January 19 --  
25 A. '82.

<p>13m9raj4      Goel - direct      Page 1561</p> <p>1 Q. Did you attend school in the United States? 2 A. I did. 3 Q. Did you go to a college or a university? 4 A. I went to a university. 5 Q. Where? 6 A. In Pennsylvania. 7 Q. What was the name of that university? 8 A. University of Pennsylvania. 9 Q. Was that the Wharton -- 10 A. Yes. 11 Q. -- school? 12 A. The college was the Wharton School. 13 Q. What, if any, degree did you get there? 14 A. I got my MBA from there, master's in business 15 administration. 16 Q. What year was that? 17 A. Roughly around May of 1983. 18 Q. May of 1983? 19 A. That is correct. 20 Q. Describe briefly your employment after graduating from 21 Wharton in May 1983. 22 A. I joined a company called Charter Security Life which was 23 shortly bought over by Metropolitan Life. I was a financial 24 analyst for them. Subsequently a portfolio manager, managing 25 fixed income securities, more on the asset liability management</p>	<p>13m9raj4      Goel - direct      Page 1563</p> <p>1 financial analyst? 2 A. So I worked there from '83 to I would say including 3 Metropolitan Life because that was bought over by MetLife to 4 around '86. 5 Q. And after 1986 when you worked for Bank of America in 6 India, how long did you work for Bank of America in India? 7 A. Approximately one-and-a-half years, maybe. 8 Q. And then you said you returned to MetLife in the United 9 States approximately what year was that? 10 A. Would have been '88. 11 Q. 1988? 12 A. Yes. 13 Q. And then for Bank of America. Approximately how long did 14 you work again for Bank of America? 15 A. For MetLife I worked for three months. I think we skipped 16 over that. 17 Q. I apologize. 18 A. I worked then with Bank of America until the year 1996. 19 Q. And you said that was in California? 20 A. That is correct. 21 Q. Where in California? 22 A. In San Francisco. 23 Q. And then how long did you work for -- how long did you 24 return to India for, for that company in India where you were 25 CFO, and then the Aditya Birla Group?</p>
<p>13m9raj4      Goel - direct      Page 1562</p> <p>1 side, matching assets and liabilities. 2      Following which I went to India for a short stint, 3 wanted to try my own business. It broke up. So I joined Bank 4 of America for a short time in India. I was a lending officer. 5      And came back to the U.S. shortly thereafter. And 6 Metropolitan Life had told me if you ever want your job back, 7 please look us up, which is what I did. They gave me a job. 8      But then Bank of America called me within a few 9 minutes and they wanted me. So I joined them in California. 10 And worked with them for several years. 11      Went to India for a short stint again. Joined the 12 startup called Afro-Asian Satellite, as a CFO over there. 13      And following which I joined a large industrial 14 conglomerate in India called the Aditya Birla A-D-I-T-Y-A 15 B-I-R-L-A, so those will be the two words, Aditya Birla Group. 16 It's a large conglomerate in India. 17      And then came here in January of 2000 -- that's 18 correct, 2000. And joined Intel Corporation and their Intel 19 Capital or treasury department actually supporting Intel 20 Capital. 21 Q. Let me ask you to go back a little bit. You said you 22 worked for Chartered Life Securities as a financial analyst? 23 A. That is correct. 24 Q. Approximately what years did you work as a chartered 25 financial analyst -- for Chartered Life Securities as a</p>	<p>13m9raj4      Goel - direct      Page 1564</p> <p>1 A. I was there for approximately three-and-a-half to four 2 years; more three-and-a-half, I think, if I remember. 3 Q. When you started at Intel in about January 2000 what was 4 your position? 5 A. I was a manager in treasury, Intel's treasury department. 6 Q. What was or is Intel's treasury department? 7 A. So, Intel's treasury department essentially falls into the 8 CFO which is the -- the chief financial officer of Intel 9 Corporation. An my role within treasury -- treasury has 10 several roles. They manage the money essentially; banking, 11 money relationships, risk management for Intel. 12      But my role was restricted to working with the Intel 13 Capital folks at Intel. And I was their -- think of it as a 14 three-legged stool. We have the Intel Capital person who goes 15 out and invests money in strategic companies that would further 16 the strategy of Intel. So typically venture startups. 17      Then you have the legal leg of the stool, the 18 three-legged stool. The legal leg of the stool, which is just 19 to make sure everything is being done legally and abiding by 20 everything that needs to be done. 21      And then the financial leg, which was essentially me. 22 To look at the financial attractiveness or how -- whether it 23 made sense to do that deal financially and how to structure 24 deals. So that was essentially my role. 25 Q. What do you mean by how to structure deals?</p>

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1 A. So, you know, various terms and conditions of the deal.  
2 You know, some minority rights, voting rights, things of that  
3 nature. We would structure deals.  
4 Q. After you were a manager, did your title or position  
5 change?  
6 A. Yes, it did, sir.  
7 Q. What did it become?  
8 A. It became director.  
9 Q. And --  
10 A. Sorry, senior manager first.  
11 Q. Did it change after you were senior manager?  
12 A. Yes, it did. I was -- my title became director. And then  
13 subsequently managing director.  
14 Q. Approximately when did you become a director in Intel  
15 treasury?  
16 A. I would say approximately 2004, 2005 -- 2004.  
17 Q. Approximately when did you become a managing director in  
18 Intel treasury?  
19 A. Approximately 2006.  
20 Q. What were your job responsibilities as a managing director  
21 in Intel treasury?  
22 A. So I would support the Intel Capital team. We had three  
23 managing directors at Intel -- at Intel treasury. My sectors  
24 were -- I had specific sectors and I would support all deals  
25 going into that sector. And by support I mean not just help

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1 the deal get through but also whether or not we wanted to do  
2 the deal. So I was kind of the second balance within the  
3 system, to make sure that we were doing smart deals  
4 financially.  
5 Q. What sectors did you cover?  
6 A. It changed over time.  
7 Approximately 2006, I was essentially the mobility  
8 sector; mobility being all investments relating to wireless  
9 technologies or to laptops, you have screens, the display  
10 technologies. Various technologies. But essentially relating  
11 to the mobile device that Intel would be supporting.  
12 Q. In terms of seniority, as one of the three managing  
13 directors, during the time you were one of three managing  
14 directors in Intel treasury, who did you report to?  
15 A. I reported to, at that time, the treasurer, as managing  
16 director. When I was managing director, I reported to the  
17 corporate treasurer of Intel Corporation.  
18 Q. Who was the corporate treasurer then?  
19 A. Mr. Ravi Jacob.  
20 Q. Who did Mr. Jacob, your supervisor, report to?  
21 A. He reported to Mr. -- the chief financial officer changed,  
22 but Stacey Smith.  
23 Q. Who did the chief financial officer report to?  
24 A. The chief executive officer.  
25 Q. The CEO?

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1 A. The CEO.  
2 Q. When you worked for Intel Capital, was it a public or a  
3 private company?  
4 A. When I worked for the treasury group, it's Intel, it was --  
5 Q. I'm sorry. When you worked at Intel.  
6 A. It was a public company.  
7 Q. On what U.S. national exchange did Intel shares trade at  
8 the time and still trade?  
9 A. NASDAQ.  
10 Q. In the course of your employment, did you have access to  
11 information about Intel?  
12 A. Yes, I did, sir.  
13 Q. Did you have access to nonpublic or confidential  
14 information about Intel?  
15 A. Yes, sir.  
16 Q. Did you have any obligations with respect to the nonpublic  
17 or confidential information that you learned while an employee  
18 at Intel?  
19 A. Yes, sir.  
20 Q. What were your obligations generally?  
21 A. In general terms my obligation was to keep it confidential,  
22 to share it only if it was for the benefit of Intel  
23 Corporation, and on an as-needed basis, that is. That was my  
24 obligation.  
25 Q. Did you comply with your obligations?

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1 A. No, sir, I did not.  
2 Q. How did you violate your obligations?  
3 A. I violated the obligation by sharing the information --  
4 Q. Who did you share --  
5 A. -- outside the policies that were outlined to us.  
6 Q. Who did you share the information with?  
7 A. I shared it with Mr. Rajaratnam.  
8 Q. Mr. Rajaratnam?  
9 A. Yes.  
10 Q. Mr. Raj Rajaratnam?  
11 A. Yes.  
12 Q. In general, what type of confidential information did you  
13 share with Mr. Raj Rajaratnam in violation of your obligations?  
14 A. In general terms, it was earnings and financial  
15 information, as well as a strategic investment that we were  
16 making.  
17 Q. Were there -- putting aside the earnings -- well, let me  
18 ask you first regarding the earnings, financial information.  
19 Specifically what quarter or quarters did the earnings or  
20 financial information relate to?  
21 A. The first quarter of 2007.  
22 Q. And with respect to, you mentioned, strategic investments,  
23 was there in 2008 a strategic investment you shared information  
24 about?  
25 A. Yes, I did, sir.

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1	Q. What strategic investment was that?		1	Intel Capital does small deals. But the Clearwire	
2	A. It was an investment in Clearwire.		2	transaction was a very large transaction for us. So the entire	
3	Q. How did you learn -- talking about the quarterly earnings,		3	place was abuzz with excitement and with a lot of dialogue, if	
4	first quarter, you said, of 2007?		4	I can put it that way. And so, you know, people would talk.	
5	A. That is correct, sir.		5	So -- not just Sriram, not just Mr. Viswanathan, but others as	
6	Q. What month and year was that?		6	well.	
7	A. April of 2007.		7	Q. And you mentioned that you shared the quarterly earnings in	
8	Q. How did you learn the quarterly earnings -- about the		8	April 2007 and the strategic investment relating to Clearwire.	
9	quarterly earnings of Intel in April of 2007?		9	Were there other things from time to time that you shared with	
10	A. A colleague of mine shared it with me.		10	Mr. Rajaratnam about Intel?	
11	Q. Which colleague shared it with you?		11	A. Sure. Mr. Rajaratnam and I were close friends. We would	
12	A. A colleague for investor relations named Mr. Alex Lenke.		12	often talk about technology, you know, what was happening in	
13	Q. How did you know the information about Intel's quarterly		13	the world of technology and sometimes I would talk about what	
14	earnings in April 2007 that you learned from Mr. Lenke was		14	Intel was doing in that world because Intel was a technology	
15	confidential?		15	company.	
16	A. It was confidential because Intel had not released the		16	Q. How did you know the information you learned about the	
17	information. We have press release procedure at Intel. We		17	Clearwire deal was confidential before you -- at the time you	
18	release information from formal official press releases. And		18	disclosed it to Mr. Rajaratnam?	
19	that had not happened.		19	A. For the same reason which was Intel had not made any formal	
20	Q. What's your understanding of the reason why Intel restricts		20	announcements or had issued any press releases relating to the	
21	or prohibits the disclosure of quarterly earnings before the		21	transaction.	
22	quarterly earnings are released to the public?		22	Q. What's your understanding as to why Intel prohibited	
23	A. Several reasons come to mind. First and foremost is that		23	disclosure of confidential information relating to the	
24	if information is released selectively to certain individuals		24	Clearwire deal before it was publicly announced?	
25	or to a group of individuals, being a public company other		25	A. Firstly, we were investing in a public company. So, any	
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1	people that are investors, the potential investors that do not		1	disclosure of an investment in a public company, that being	
2	have the information would be harmed. They could be harmed.		2	Clearwire, might cause certain individuals, if it wasn't	
3	The other is relating to earnings. It could have		3	released officially to the broad public, might -- might inure	
4	bearing in terms of certain competitive strategies that might		4	certain advantages to people who might buy the Clearwire shares	
5	happen in the marketplace.		5	or invest in it.	
6	There's several reasons. But we have a very strict		6	Also from Intel's perspective, any information that	
7	policy and procedure on that. We do not -- we have a press		7	was prior to the actual signing or inking of the deal might	
8	release that we have to abide by.		8	cause the deal terms to be affected as well; deal terms as in	
9	Q. And how did you learn about -- well let me ask you --		9	the price of deal that Intel might be investing at, etc., etc.	
10	withdrawn.		10	Therefore, the release was supposed to be broad-based	
11	Were you working on the Clearwire deal in 2008 when		11	official. And only after the deal was, you know, completely	
12	you shared confidential information about it with Mr. Raj		12	inked and the Is were dotted and the Ts were slashed.	
13	Rajaratnam?		13	Q. You mentioned Mr. Raj Rajaratnam. What was your	
14	A. No, sir, I was not.		14	relationship with Mr. Raj Rajaratnam?	
15	Q. How did you learn about the confidential information		15	A. Mr. Rajaratnam was a very good friend of mine. We studied	
16	relating to the Clearwire deal before sharing it with Mr. Raj		16	together at Wharton. And kept in touch. And later on the	
17	Rajaratnam?		17	relationship grew to families getting together for vacations.	
18	A. A fellow colleague of mine shared it with me.		18	We were good friends.	
19	Q. And what was that colleague's name?		19	Q. When you were working at Intel, what, if anything, did	
20	A. Mr. Sriram Viswanathan.		20	Mr. Rajaratnam tell you about where he worked?	
21	Q. In addition to learning information from Mr. Sriram		21	A. Mr. Rajaratnam told me he was at a fund in New York called	
22	Viswanathan, did you learn about the Clearwire deal in other		22	Galleon.	
23	ways?		23	Q. Did he tell you what he did, what his job was at Galleon?	
24	A. Sure. There was a general buzz around the deal, within		24	A. Sure. He was managing money for Galleon, was like the CEO	
25	Intel. Because this was a very large -- just for the context.		25	of Galleon. I don't know his exact title, but he was like the	



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1 CEO.  
2 Q. Based on what Mr. Rajaratnam told you, did you have an  
3 understanding of what Mr. Rajaratnam did as the CEO of Galleon?  
4 A. Not in all aspects but in some aspects, yes. He was a  
5 trader. He traded stocks. He made money for his investors.  
6 And himself, sir.  
7 Q. Have you ever seen the records showing the trades made by  
8 Galleon?  
9 A. No, sir.  
10 Q. Have you ever seen the records showing trades made by  
11 Mr. Rajaratnam at Galleon?  
12 A. No, sir.  
13 Q. Did you tell Mr. Rajaratnam where you worked?  
14 A. Yes.  
15 Q. And in general what did you tell him about where you  
16 worked?  
17 A. I told him I was at Intel. I was working in Intel's  
18 treasury. I was working with the Intel Capital folks.  
19 Q. Did you tell him what you did on your job?  
20 A. Periodically, yeah, sure.  
21 Q. And during the period from 2007 through 2009, how  
22 frequently did you speak with Mr. Rajaratnam?  
23 A. I'm sorry. The timeframe was 2007 to 2009?  
24 Q. Yes.  
25 A. Very frequently.

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1 Q. Did you speak with him in person, by phone, or some other  
2 way?  
3 A. Both. In person and phone.  
4 Q. What were the general circumstances under which you spoke  
5 to him in person?  
6 A. He were very good friends. So as friends speak to each  
7 other, we would talk about, you know, our works; his work a  
8 little bit, my work a little bit. Our families, our kids, what  
9 he was doing. And obviously we were doing -- taking vacations  
10 together, so we would discuss that as well.  
11 Q. When would you see him in person?  
12 A. If he happened to be in California and if he -- his  
13 calendar permitted, we would meet; my calendar permitted too.  
14 Or if I was in New York and if my calendar was permitting and  
15 his calendar was permitting, we would meet. And a number of  
16 vacations.  
17 Q. How many vacations -- I'm sorry.  
18 A. We would meet in person, obviously, on vacations, we lived  
19 together.  
20 Q. How many vacations did you take with Mr. Rajaratnam?  
21 A. We together took two vacations.  
22 Q. When you spoke with Mr. Rajaratnam, what language did you  
23 speak?  
24 A. It was primary English with a little bit of Indian slang  
25 thrown in.

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1 Q. Did Mr. Rajaratnam ask you for information about Intel?  
2 A. Sometimes, yes.  
3 Q. Did you have an understanding of why he was asking you for  
4 information about Intel?  
5 A. Yes. I did.  
6 Q. Why?  
7 A. He's a trader. He trades on information. So he buys and  
8 sells stocks.  
9 Q. Did Mr. Rajaratnam tell you how often he was trading --  
10 withdrawn.  
11 Did mr. Rajaratnam tell you he was trading the stock  
12 of Intel?  
13 A. Yes, he did.  
14 Q. Did he tell you how often he was trading the stock of  
15 Intel?  
16 A. I don't know about how often, but he traded the Intel  
17 stock.  
18 Q. Why did you give Mr. Rajaratnam confidential information  
19 about Intel's quarterly earnings in April 2007 before it was  
20 disclosed to the public?  
21 A. Raj and I were very good friends. He was a good man to me.  
22 I was a good person to him. And we shared a lot of  
23 conversations. And I gave him the information.  
24 Q. Why did you give him the information, confidential  
25 information about the Clearwire deal prior to that information

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1 becoming public?  
2 A. For the same reasons, we were very good friends, as a  
3 friend I shared information with him.  
4 Q. What are some of the examples of your friendship with  
5 Mr. Rajaratnam over the years?  
6 A. Both ways. Mr. Rajaratnam helped me financially a few  
7 times. He helped me steer some of the -- not steer but think  
8 through some of the professional thoughts that every person  
9 goes through in terms of career, in terms of, you know looking  
10 for jobs or, you know, what kind of avenues to look for jobs.  
11 Financially he helped me in three ways. He lent me  
12 money in 2005. We were buying a house in California. As any  
13 first-time buyer, home buyer, a little nervous. About being  
14 able to meet all the obligations associated with buying a house  
15 and subsequent thereto. Because nasty things can come up when  
16 you're buying the house.  
17 In 2006 he gifted money to me.  
18 And I was having some serious family issues back in  
19 India. And he helped me. He gifted me money.  
20 And then back in 2005 I told Mr. Rajaratnam, hey,  
21 you're a successful trader. You're a star trader. You have a  
22 stellar reputation in the market. I don't know how to trade  
23 public stocks. Maybe you might, you know, if you don't mind,  
24 can make me some money. So he helped me by trading stocks in  
25 my account. So these were the three financial ways.

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1 And we used to talk about kids and, you know, which  
2 colleges and, you know, how to go about doing that. So that  
3 was another way of helping each other.  
4 So as friends help each other, I guess, in many ways.  
5 Q. Let me ask the loan you mentioned you said he lent you  
6 money in 2005. How much money did he lend you in 2005?  
7 A. He lent me \$100,000.  
8 Q. You say he gifted you money in 2006. How much money did he  
9 give to you as a gift in 2006?  
10 A. He gifted \$500,000.  
11 Q. \$500,000?  
12 A. Yes. That's correct.  
13 Q. Let me direct your attention to October 16, 2009. Where  
14 were you that day?  
15 A. I was at home.  
16 Q. And what, if anything, happened --  
17 A. Home in California, sorry.  
18 Q. What, if anything, happened on October 16, 2009 when you  
19 were at home in California?  
20 A. I was arrested.  
21 Q. At the time of -- who arrested you?  
22 A. Some agents.  
23 Q. From which --  
24 A. From --  
25 Q. -- law enforcement organization?

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1 A. FBI.  
2 Q. The FBI? At the time of your arrest, what were you charged  
3 with?  
4 A. I was charged with securities fraud and conspiracy for  
5 securities fraud.  
6 Q. Following your arrest, did you meet with FBI agents and  
7 prosecutors?  
8 A. Yes, I did.  
9 Q. And what did the agents and the assistant U.S. attorneys  
10 ask you about?  
11 A. They asked me about my involvement in this investigation  
12 that is currently being held.  
13 Q. After several meetings with the government, did you sign an  
14 agreement with the government?  
15 A. Yes, I did.  
16 Q. What happened on the day that you signed an agreement with  
17 the government?  
18 A. Which agreement, sir?  
19 Q. Did you sign an agreement with the government?  
20 A. Yes. That was the proffer agreement as well as the  
21 cooperation agreement.  
22 Q. On the day that you signed your cooperation agreement with  
23 the government.  
24 A. I pleaded guilty, sir.  
25 Q. And was that -- are you testifying here today as part of

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1 that agreement with the government?  
2 A. Yes, I am, sir.  
3 Q. What's your understanding -- your understanding of your  
4 obligations under that cooperation agreement?  
5 A. My understanding of that cooperation agreement is --  
6 foremost is I have to be truthful, be completely honest about  
7 any investigation, any questions that may be asked of me,  
8 produce all documents that are required by the U.S. Attorney's  
9 Office, attend meetings when asked for, and in general be --  
10 commit no crimes and say whatever questions are asked, answer  
11 them completely, honestly, and truthfully.  
12 Q. What's your understanding of what the government will do  
13 for you under the cooperation agreement if you comply with  
14 those obligations?  
15 A. My understanding is that if I -- if the government believes  
16 that I have said the truth, and I have cooperated with  
17 answering all of the questions, they will write a letter to the  
18 sentencing judge outlining all the good things that I have done  
19 and all the bad things that I have done. That is what my  
20 understanding is, sir.  
21 Q. What's your understanding of the effect, if any, that the  
22 government's letter will have on your sentence?  
23 A. Could you repeat that question, please.  
24 Q. What's your understanding of the effect -- if you comply  
25 with your obligations and the government writes the letter to

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1 your sentencing judge, what's your understanding of the effect  
2 that letter will have on your sentence?  
3 A. There may or may not be an effect. The hope that there is  
4 an effect, but there may or may not be an effect. Because the  
5 government is merely outlining the good things and the bad  
6 things which the judge, the sentencing judge will take into  
7 account by pronouncing the sentence for me. So there is no  
8 certainty in terms of any fact. That's my understanding, sir.  
9 Q. What are you hoping for?  
10 A. I'm hoping for -- I'm hoping for leniency on the part of  
11 the judge.  
12 Q. And what's your understanding of who is going to determine  
13 your sentence?  
14 A. It is the sentencing judge.  
15 MR. BRODSKY: May I approach, your Honor?  
16 THE COURT: Yes.  
17 Q. Showing you Government Exhibit 3502-B for identification.  
18 Would you take a moment to look at that.  
19 A. Give me a second, please.  
20 (Pause)  
21 Yes, sir.  
22 Q. Do you recognize 3502-B?  
23 A. Yes, I do.  
24 Q. What is it?  
25 A. It is the cooperation agreement.

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1 Q. Between you and who?  
2 A. The U.S. Attorney's Office Department of Justice.  
3 Q. How do you recognize this document, 3502-B for  
4 identification, as your cooperation agreement?  
5 A. Because it is signed by me.  
6 Q. How many charges did you plead guilty to?  
7 A. Plead guilty to two charges.  
8 Q. What were those charges?  
9 A. Conspiracy for fraud and fraudulent -- the fraud itself.  
10 Q. What is the maximum sentence you face for having pled  
11 guilty to conspiracy to commit fraud and the fraud count?  
12 A. Twenty-five years.  
13 Q. In your cooperation agreement did you agree to forfeit  
14 money to the government?  
15 A. Yes, sir.  
16 Q. What money?  
17 A. Any money that might have been earned through illicit  
18 means.  
19 Q. Who determines the amount of money that you will have to  
20 forfeit to the government?  
21 A. The sentencing judge or the judge that ultimately  
22 pronounces the sentence.  
23 Q. Has that been determined yet?  
24 A. (No response).  
25 Q. The amount of forfeiture?

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1 A. No, sir.  
2 Q. Let's talk about your duties of confidentiality when you  
3 worked at Intel.  
4 When you joined Intel, did you sign any agreement  
5 regarding Intel confidential information?  
6 A. Yes, sir.  
7 Q. What did you agree to do?  
8 A. I agreed to hold the information, any data -- any aspect of  
9 my work at Intel confidential, as I said before, to be  
10 disclosed on an as-needed basis and only for the benefit of  
11 Intel in general terms.  
12 MR. BRODSKY: May I approach?  
13 Q. I'm showing you what's marked as Government Exhibits 1010,  
14 1011, and 1012 for identification.  
15 Please take a moment to look at Government Exhibit  
16 1010 for identification purposes.  
17 Do you recognize 1010 for identification?  
18 A. Yes, sir, I do.  
19 Q. What is that?  
20 A. It is my Intel employment agreement that I signed with  
21 Intel.  
22 Q. When did you sign it?  
23 A. It is dated January 24, 2000.  
24 MR. BRODSKY: Your Honor, we offer 1010.  
25 MR. LYNAM: No objection.

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1 THE COURT: Admitted.  
2 (Government's Exhibit 1010 received in evidence)  
3 Q. At the top of the document it's stated Intel Employment  
4 Agreement?  
5 A. That is correct.  
6 Q. At the bottom, whose signatures are at the bottom of the  
7 document?  
8 A. My signature as well as the general counsel for Intel.  
9 Q. If we can go back to the top of the document, blow up the  
10 first three paragraphs of the Intel employment agreement.  
11 Mr. Goel, would you read the first line at the top  
12 under Intel employment agreement.  
13 A. "In exchange for being employed by Intel Corporation, its  
14 subsidiaries, affiliates or successors, herein Intel, I agree  
15 that."  
16 Q. Would you read the first full line under the paragraph  
17 confidential information?  
18 A. "Confidential information. At all times, both during and  
19 after employment with Intel, I will not use, except for the  
20 benefit of Intel, at Intel's direction, and will hold in  
21 confidence and not disclose, without Intel's written  
22 authorization, any proprietary information or trade secret,  
23 technical or otherwise, of Intel or any third party to which I  
24 gain access, pursuant to my Intel employment, until such  
25 information becomes generally and rightfully known outside

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1 Intel without nondisclosure restriction or for the maximum  
2 period of time for maintaining trade secrets or as permitted by  
3 law in the state in which I am employed if such..." there's a  
4 word that --  
5 Q. "If such period is."  
6 A. "If such period is shorter."  
7 Q. Let me ask you to turn to Government Exhibit 1011 for  
8 identification. Do you recognize 1011 for identification?  
9 A. Yes, sir, I do.  
10 Q. What is that?  
11 A. That is also an agreement that I signed with Intel. It's  
12 titled Employment At Will Guideline and Discipline and  
13 Discharge Guidelines.  
14 MR. BRODSKY: Your Honor, we offer 1011.  
15 MR. LYNAM: No objection.  
16 THE COURT: Admitted.  
17 (Government's Exhibit 1011 received in evidence)  
18 Q. Under discipline and discharge guideline, do you see that?  
19 A. Yes, sir.  
20 Q. Under immediate termination, does it say examples of  
21 actions which may result in immediate termination?  
22 A. (No response).  
23 Q. Do you see that?  
24 A. Just a second, please.  
25 (Pause)

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1 correctly, it was for a time period before the century, so to  
2 speak.  
3 Q. Before the year 2000?  
4 A. Before the year 2000.  
5 Q. Did Mr. Rajaratnam ever tell you what, if anything, he gave  
6 to the people at Intel who provided him with this book -- did  
7 you say book to bill?  
8 A. Yes.  
9 Q. Book for orders?  
10 A. It was the orders that -- what I recall, the person who  
11 actually compiled all the orders for Intel.  
12 Q. What do you mean by orders?  
13 A. The sales.  
14 Q. The sales. Did Mr. Rajaratnam say what, if anything, he  
15 gave to the two individuals who gave him information about the  
16 sales of Intel?  
17 A. As I recall, he mentioned that he gave them two cars, one  
18 to each individual. He gave them the keys to the car.  
19 Q. Did he tell you what type of car?  
20 A. If I recall correctly, BMWs.  
21 Q. You mentioned Mr. Rajaratnam had given you money, loaned  
22 you money in 2005?  
23 A. Yes.  
24 Q. What happened that caused Mr. Rajaratnam to loan you that  
25 money?

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1 A. We were good friends, and Mr. Rajaratnam was a generous  
2 person. I was nervous about buying a house, and we spoke, and  
3 he said I can help you, which he did.  
4 Q. Let me show you Government Exhibits 1016 and 1017 for  
5 identification.  
6 Do you recognize 1016 for identification?  
7 A. Yes, sir, I do.  
8 Q. What is that?  
9 A. It is an e-mail from me to Mr. Rajaratnam.  
10 Q. What is the date?  
11 A. It's dated the 20th of July 2005.  
12 Q. What does it relate to?  
13 A. It relates to thanking him for the personal loan in case I  
14 need the money at the closing, and the details of my bank  
15 account. He provided the money.  
16 MR. BRODSKY: We offer 1016.  
17 MR. LYNAM: No objection.  
18 THE COURT: Admitted.  
19 (Government's Exhibit 1016 received in evidence)  
20 Q. Mr. Goel, here you say, "Raj, thanks for the help in terms  
21 of a personal loan of 100K in case I need the money at the  
22 closing for the purchase of the house." Do you see that?  
23 A. Yes, I do, sir.  
24 Q. Did you ever pay that money back?  
25 A. No, sir, I did not.

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1 Q. Did Mr. Rajaratnam ever ask for the money back?  
2 A. No, sir, he did not.  
3 Q. Government Exhibit 1017, is that a document with your name  
4 on it at the bottom as account party?  
5 A. Yes, it is.  
6 Q. Is it dated July 21, 2005?  
7 A. It is, indeed.  
8 Q. Does it reflect the transaction amount of \$100,000?  
9 A. Yes, sir.  
10 Q. Is the debit party Mr. Raj Rajaratnam?  
11 A. That is correct.  
12 MR. BRODSKY: We offer 1017.  
13 MR. LYNAM: No objection.  
14 THE COURT: Admitted.  
15 (Government's Exhibit 1017 received in evidence)  
16 MR. BRODSKY: You can take that down.  
17 Q. You mentioned the \$500,000 gift you received in 2006  
18 earlier?  
19 A. That is correct, sir.  
20 Q. Did you ask Mr. Rajaratnam for the money?  
21 A. I don't recall whether I asked or whether he offered.  
22 Q. What happened that caused you to receive the \$500,000 as a  
23 gift?  
24 A. My father is a very old person, around that time he was 87,  
25 88 years old, and he was having several bouts of illnesses, and

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1 as a family we were very nervous about him. And in India -- he  
2 lives in India with my brother, my brother lives with him. And  
3 we were afraid that something bad might happen, he might pass  
4 away. It was pretty serious. I flew out there several times.  
5 And he has a flat, an apartment, and the system in India is  
6 that when the person passes away, his property, his assets are  
7 distributed between the sons and daughters. My father had  
8 already provided for my sister.  
9 Q. You needed the money for your father's apartment?  
10 A. Yes. So that it will not leave the family. My brother and  
11 I would keep it in the family. My father had owned the  
12 apartment for several decades.  
13 Q. How did Mr. Rajaratnam get you the money?  
14 A. He wired the money to me.  
15 Q. To which account?  
16 A. I opened an account overseas in Switzerland to receive the  
17 money, and he wired the money into that account.  
18 Q. Which bank did you use in Switzerland to open up the  
19 account?  
20 A. I used Credit Suisse.  
21 Q. How did it come about that you had opened an account in  
22 Switzerland?  
23 A. I just did it because the money was destined for India. I  
24 had never seen so much money in my life, and I figured -- when  
25 I was growing up, there was a certain mystique about the rich



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1 column, but they haven't redacted all the other descriptions,  
2 and we would ask that they redact that as well, so that they  
3 only show the one transaction if that's the purpose of it.  
4 THE COURT: Why don't you just use 1079?  
5 MR. BRODSKY: I will use 1079.  
6 THE COURT: Once is enough.  
7 (Continued on next page)  
8  
9  
10  
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1 A. I'm sorry. What is on the top left?  
2 Q. JP Morgan Chase, do you see that?  
3 A. Yes.  
4 MR. BRODSKY: Can we highlight the \$500,000?  
5 Can you highlight where it says beneficiary?  
6 Q. Does that beneficiary say Marcus Reppel? Do you see that  
7 there?  
8 A. Yes.  
9 MR. BRODSKY: If we go back to Government Exhibit 1023  
10 in evidence and we put it side by side with this document.  
11 On the first page of this 1023 in evidence, can you  
12 blow up the upper right-hand corner?  
13 Can we highlight Marcus Reppel?  
14 Q. Was Mr. Reppel the adviser on the account?  
15 A. At that time he was.  
16 Q. Approximately when did Mr. Rajaratnam begin to trade in  
17 your brokerage account?  
18 A. In 2005, approximately.  
19 Q. For how long did that continue?  
20 A. It continued through till 2009.  
21 Q. When did it stop?  
22 A. 2009.  
23 Q. Approximately when in 2009?  
24 A. When in 2009? October 2009.  
25 Q. Why did it stop?

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1 (In open court)  
2 BY MR. BRODSKY:  
3 Q. Mr. Goel, let me ask you to turn to Government Exhibit 1079  
4 for identification.  
5 A. Yes, sir.  
6 Q. Is that dated May 19, 2006?  
7 A. That is, indeed.  
8 Q. Does it have the Galleon Group at the top?  
9 A. It does.  
10 Q. Is it signed by Mr. Rajaratnam?  
11 Is the sincerely yours, the name underneath Raj  
12 Rajaratnam?  
13 A. His name is there.  
14 Q. Does it relate to the \$500,000 that you received?  
15 A. Yes, it does.  
16 MR. BRODSKY: We offer 1079.  
17 THE COURT: Admitted.  
18 (Government's Exhibit 1079 received in evidence)  
19 MR. BRODSKY: Let me ask Ms. Kuntz to highlight where  
20 it says, "Please transfer 500,000."  
21 Q. Mr. Goel, is your name underneath there where it says Rajiv  
22 Surendra Goel?  
23 A. That is my name.  
24 Q. On the second page, does it have JP Morgan Chase up at the  
25 top left?

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1 A. He and I were arrested.  
2 Q. Now, when Mr. Rajaratnam began to trade in your brokerage  
3 account, did you give him any information to do that?  
4 A. Yes, I did.  
5 Q. What did you give him?  
6 A. I essentially gave him my log-in ID as well as my passport.  
7 Q. From 2005, when Mr. Rajaratnam started trading in your  
8 Charles Schwab account, through 2009 in October when you were  
9 both arrested, approximately how much money did Mr. Rajaratnam  
10 make for you in your account?  
11 A. Approximately, 700 to \$800,000.  
12 Q. Mr. Goel, I am showing you Government Exhibits 1222 through  
13 1270. Take a moment to look at them, please. Let me know when  
14 you're ready.  
15 A. Just give me a minute.  
16 Q. Sure.  
17 A. Yes, sir.  
18 Q. Prior to coming to court today, did you review 1222 through  
19 1270?  
20 A. Yes, sir.  
21 Q. How do you recognize that you reviewed 1222 through 1270?  
22 A. They have my initials on it.  
23 Q. What are these documents, 1222 through 1270 for  
24 identification?  
25 A. They are essentially account statements, for the most part,

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1 information at some point. So they are offering it for the  
2 truth.  
3 MR. BRODSKY: Your Honor, I disagree slightly with  
4 Mr. Lynam's recollection of Mr. Lenke's testimony. I think the  
5 transcript will reflect that he did remember passing along  
6 earnings information and then --  
7 THE COURT: Yes. I think that's true.  
8 MR. LYNAM: In general terms I would agree. He never  
9 said exactly what he told him though.  
10 MR. BRODSKY: I will elicit only the general terms.  
11 MR. LYNAM: Well the general terms that Mr. Lenke  
12 testified was that I gave him earnings information. The  
13 witness has already said that Mr. Lenke never described what  
14 they were.  
15 MR. BRODSKY: I think Mr. Lenke testified about  
16 outlook.  
17 THE COURT: About what?  
18 MR. BRODSKY: Outlook. And getting the outlook on  
19 Monday April 16, 2007.  
20 MR. LYNAM: But he never said what it was. He never  
21 could describe what it was. He said he had earnings  
22 information in outlook, and he gave it. But he never said what  
23 it was. And what it was is critically important in this case,  
24 whether it's accurate, whether it's true.  
25 THE COURT: Sounds like you're, in fact, offering it

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1 to establish the truth of the statement.  
2 MR. BRODSKY: No. I'm offering it, your Honor, for  
3 two purposes; basically essentially that he was provided  
4 information about it, about the particular topics. And --  
5 THE COURT: Do you have his testimony here?  
6 MR. BRODSKY: Mr. Lenke, yes.  
7 THE COURT: Let's take a look at it.  
8 (Pause)  
9 MR. BRODSKY: Your Honor, I don't seem to have access  
10 to the transcript binder right now. But if I -- I think if I  
11 elicit from Mr. Goel the nature of the information that he  
12 received from Mr. Lenke -- I am not offering it for the truth  
13 of what the information was. I'm offering it for the fact that  
14 he then passed along to Mr. Rajaratnam certain information.  
15 Regardless of whether it was true or not.  
16 We will demonstrate through documents and Mr. Lenke's  
17 testimony the truth of what was passed along. We will not use  
18 Mr. Goel's testimony to argue the truth of the specific  
19 information passed along.  
20 THE COURT: All right. I'm going to permit it.  
21 (Continued on next page)  
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13m9raj6 Goel - direct Page 1647

1 (In open court)  
2 Q. Mr. Goel, do you recall what generally Mr. Lenke told you  
3 about earnings at issue?  
4 THE COURT: Before you answer, Mr. Goel, I want to  
5 give the jury the instruction I've given you in the past; that  
6 the witness is going to testify as to something that was told  
7 to him. Mr. Goel's testimony isn't being offered by the  
8 government to prove the truth of what was said to him by  
9 Mr. Lenke, just the fact that it was said. And you're the  
10 finders of whether or not Mr. Lenke ever, in fact, said that.  
11 But it's not being offered in any event to show the truth of  
12 the statement.  
13 A. Could you repeat that question, please?  
14 Q. Do you recall, in general terms, what Mr. Lenke told you  
15 initially about Intel's quarterly earnings?  
16 A. Specific to the quarterly earnings, right?  
17 Q. Yes.  
18 A. In general, it was around the revenue numbers, the margins.  
19 Q. And do you recall if Mr. Lenke updated you regarding that  
20 information at any point in time?  
21 A. Yes, sir, he did.  
22 Q. And subsequently when he updated you, do you recall  
23 generally what information you received from Mr. Lenke?  
24 A. Yes, in general terms I do.  
25 Q. What do you generally recall?

13m9raj6 Goel - direct Page 1648

1 A. Sir, at that time Intel was undergoing some pretty large  
2 strategic shares. And the implications of which were quite  
3 significant for Intel. Specifically, we were transitioning or  
4 thereabouts to be 300-nanometer manufacturing; 300 nanometer is  
5 the size of the wafer on which the chips are made. So the  
6 larger the size, the more you make; the more you make, as we  
7 had an earlier discussion, the more profits you make.  
8 Also, we were talking about a 45-nanometer transition  
9 which is how small can the chip get. So the smaller the chip  
10 gets, the more chips you make. And the more chips you make,  
11 the more profits you make.  
12 But that also has another bearing, which is the  
13 smaller the chip gets, they require less real estate, which  
14 means that they can move from big laptops -- or rather big  
15 desktops to laptops, to mobile devices such as smartphones.  
16 We were also introducing, therefore, some mobile  
17 technology.  
18 So there was a lot that was going.  
19 Specific to Mr. Lenke's discussion, therefore, there  
20 was a certain -- several discussions that happened in March and  
21 early April; late March, early April.  
22 And then the update came. Business outlook.  
23 Remember, I had said earlier there are three sections  
24 to it. One is the financial section. The other is the  
25 operating section, or the operations sections. And the third

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1 is the outlook.  
2 So the update that came around was really taking into  
3 account the developments at that point in time in terms of the  
4 business outlook. I don't know if I have been very clear but  
5 that's again --  
6 (Continued on next page)  
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13M8RAJ7 Goel - direct Page 1651

1 THE COURT: Sustained.  
2 Q. Do you remember what about the information was opposite  
3 from the first time you received information from Mr. Lenke  
4 regarding revenue and gross margin and then the update  
5 regarding business outlook?  
6 A. I do not recall sir.  
7 Q. Now, did you inform Mr. Rajaratnam about what you were  
8 hearing from Mr. Lenke?  
9 A. Yes, sir, I did.  
10 Q. Did you inform him after Mr. Lenke told you about revenue  
11 and gross margin?  
12 A. Yes, I did, sir.  
13 Q. How did you inform Mr. Rajaratnam? Do you remember how you  
14 informed him, whether it was by phone or in person, when you  
15 received information from Mr. Lenke in April 2007 about revenue  
16 and gross margin?  
17 A. I recall by phone.  
18 Q. Do you recall how you informed Mr. Rajaratnam -- withdrawn.  
19 Do you remember informing Mr. Rajaratnam about the  
20 business outlook that Mr. Lenke updated you about?  
21 A. No, sir, I do not recall. I was very nervous at that point  
22 in time because I had never done this, so it was -- I don't  
23 recall what exactly I said to him. All I recall is that I got  
24 some earnings related information from Mr. Lenke, which I  
25 passed on to Mr. Rajaratnam, and it was not in the course of

13M8RAJ7 Goel - direct Page 1650

1 Q. Did the nature of the information from revenues and gross  
2 margin, whatever Mr. Lenke informed you initially, to the  
3 update regarding the business outlook change?  
4 A. The inferences -- yes, the information, I don't know if you  
5 can call it a change, but it was an update. One is you take a  
6 look at, you say this is a particular number, but then the  
7 context around the number changes the perspective of how you  
8 interpret that number, and the business update was that  
9 element. Does that answer your question, sir?  
10 Q. Yes.  
11 Do you recall whether initially when you received  
12 information from Mr. Lenke about revenue and gross margin,  
13 whether it was positive news for Intel or negative news for  
14 Intel?  
15 A. I don't recall that, sir.  
16 Q. Do you recall, when Mr. Lenke updated you with the business  
17 outlook, whether that was positive news for Intel during that  
18 update or negative news for Intel?  
19 A. I don't recall whether it was positive or negative, but it  
20 was in kind of the opposite direction of the earlier one, in  
21 the sense what you can infer from the information.  
22 Q. So the initial information you got from Mr. Lenke as  
23 compared to the updated business outlook was kind of opposite  
24 information?  
25 MR. LYNAM: Objection, your Honor. Leading.

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1 one conversation, there were a few conversations like I said  
2 earlier.  
3 Q. You said there were a course of several conversations with  
4 Mr. Lenke?  
5 A. A few.  
6 Q. And after you had these conversations with Mr. Lenke, did  
7 you pass that information along each time to Mr. Rajaratnam?  
8 A. I don't know if it was each time, but yes, I would pass on  
9 that information to Mr. Rajaratnam.  
10 Q. Do you remember the date on which you received the business  
11 outlook information from Mr. Lenke?  
12 A. I do not recall, sir. It was before the earnings -- the  
13 announcement, that's all I recall.  
14 Q. Did you tell Mr. Rajaratnam where the information was  
15 coming from?  
16 A. Yes, I did, sir. I did not take Mr. Lenke's name, but I  
17 told him it was from an investor relations person.  
18 Q. Do you recall before Intel's earnings were released where  
19 Mr. Rajaratnam was any time during the time you were trying to  
20 inform him about what you were learning from Mr. Lenke?  
21 A. Yes, sir, I do.  
22 Q. What do you recall?  
23 A. I was very nervous because I was afraid that -- I  
24 considered Raj to be a close friend, and I was afraid that I  
25 was giving him something which, if it turned out to be wrong,

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1 then ask Your Honor's permission to stop the direct  
2 temporarily, call Mr. Blankfein.  
3 The government would then call Mr. Blankfein and  
4 Mr. O'Keefe.  
5 On Monday we had informed the defense they were  
6 witnesses who we planned to call today -- on Sunday we had told  
7 them we planned to call them as witnesses today.  
8 And then resume the direct examination. We don't want  
9 to interrupt, for example --  
10 THE COURT: Well it's all right with the court if it's  
11 all right with defense counsel.  
12 MR. BRODSKY: Your Honor, we would ask your Honor --  
13 because this does happen often in trials -- if you wouldn't  
14 mind letting the jury know that the government is going out of  
15 order like this, stopping --  
16 THE COURT: Yes. I'll instruct the jury.  
17 MR. BRODSKY: Thank you, your Honor.  
18 MR. DOWD: Your Honor, we're not happy about it but  
19 we're happy to accommodate them.  
20 THE COURT: All right.  
21 Apparently we're still missing one juror. So we'll --  
22 THE DEPUTY CLERK: Let me just doublecheck.  
23 THE COURT: We'll doublecheck.  
24 MR. BRODSKY: Your Honor, since we have this 30  
25 seconds, what we didn't put in our letter, I think it's clear

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1 and it's obvious from what Mr. Dowd said and your Honor said,  
2 Mr. Gupta had submitted a Wells submission to the SEC. The  
3 defense had marked it as a Defense Exhibit. In that Wells  
4 submission Mr. Gupta took the Fifth Amendment when he spoke to  
5 the SEC and wasn't deposed when the SEC asked for his  
6 deposition.  
7 We think that that Wells submission is not admissible,  
8 can't be used in any way, and unless -- if the defense  
9 disagrees, we would just want notice of that so we would have  
10 the opportunity to move to preclude that from being put forth  
11 before the jury.  
12 Thank you, your Honor.  
13 MR. DOWD: Your Honor, we're not going to introduce  
14 it. I'm sorry Mr. Brodsky commented the way he did on it. I  
15 thought it was very unfortunate.  
16 THE COURT: Yes. It wasn't necessary.  
17 MR. DOWD: Really outrageous.  
18 THE COURT: All right. The jury is here.  
19 MR. LYNAM: Your Honor, I apologize. I got stuck in  
20 the security line because the machine broke down. I'm sorry I  
21 was late.  
22 THE COURT: You won your point even though you were  
23 not here.  
24 (Continued on next page)  
25

13n9raj1 Page 1675

1 (In open court; jury present)  
2 THE COURT: Please take your seats.  
3 Good morning, ladies and gentlemen. Thank you for  
4 getting here promptly this morning.  
5 Mr. Brodsky, would you continue your examination.  
6 MR. BRODSKY: Yes. Thank you, your Honor.  
7 RAJIV GOEL, resumed  
8 DIRECT EXAMINATION CONTINUED  
9 BY MR. BRODSKY:  
10 Q. Mr. Goel, when we left off yesterday, you were describing  
11 the conversations you had with Mr. Lenke and then with  
12 Mr. Rajaratnam in April 2007. Do you remember your testimony  
13 from yesterday?  
14 A. Yes, I do, sir.  
15 Q. You testified yesterday that you had several conversations  
16 with Mr. Lenke in April of 2007; is that correct?  
17 A. And late March.  
18 Q. And focusing your attention on April of 2007, after you  
19 initially learned information from Mr. Lenke, did you inform  
20 Mr. Rajaratnam as to that initial information that you learned  
21 regarding the quarterly earnings for the first quarter of 2007?  
22 A. Yes, I did, sir.  
23 Q. What, in general, initially did you inform Mr. Rajaratnam  
24 regarding the quarterly earnings in the first quarter of 2007  
25 before they were publicly announced to the public?

13n9raj1 Goel - direct Page 1676

1 A. Around the revenue and margins, information around that.  
2 Q. When you use the term margins, what do you mean by margins?  
3 A. Gross margin.  
4 Q. And then after you initially learned that information, did  
5 you speak to Mr. Lenke several more times?  
6 A. Yes.  
7 Q. And did you continue to speak with Mr. Rajaratnam about  
8 what you were learning from Mr. Lenke?  
9 A. Yes.  
10 Q. At some point you testified yesterday you received an  
11 update from Mr. Lenke. Do you remember that?  
12 A. Yes.  
13 Q. When you received that update, did you speak to  
14 Mr. Rajaratnam subsequent to receiving that update?  
15 A. Yes, sir, I did.  
16 Q. And when you spoke to Mr. Rajaratnam after receiving that  
17 update, was that before Intel had announced its earnings to the  
18 public?  
19 A. Yes, sir.  
20 Q. When you spoke to Mr. Rajaratnam about that update, where  
21 were you?  
22 A. I was in the United States.  
23 Q. And where was Mr. Rajaratnam?  
24 A. As I recall he was in the Caribbean.  
25 Q. When you spoke, you spoke to him by phone?



<p>13n9raj5 O'Keeffe - direct Page 1853</p> <p>1 (Government's Exhibit 1675 received in evidence)</p> <p>2 Q. Can you just read the -- that sort of headline and then the</p> <p>3 date.</p> <p>4 A. Sure. The headline says "IDT and ICS announce plan to</p> <p>5 merge \$1.7 billion transaction represents opportunity to grow</p> <p>6 market, improve efficiencies." And the date is June 15, 2005.</p> <p>7 Q. Can you take a look at Government Exhibit 123. What's 123?</p> <p>8 A. 123 is a printout of a screen shot from Bloomberg which</p> <p>9 shows the trading price of ICST's stock from May 2, 2005</p> <p>10 through June 17, 2005.</p> <p>11 Q. I believe this is in evidence. Does it show the price</p> <p>12 through when the merger was announced?</p> <p>13 A. Yes, and a couple of days after.</p> <p>14 (Continued on next page)</p> <p>15</p> <p>16</p> <p>17</p> <p>18</p> <p>19</p> <p>20</p> <p>21</p> <p>22</p> <p>23</p> <p>24</p> <p>25</p>	<p>13N8RAJ6 O'Keeffe - direct Page 1855</p> <p>1 upon in the merger.</p> <p>2 MR. STREETER: Your Honor, I have a little bit more to</p> <p>3 go. Maybe we can take a break now.</p> <p>4 THE COURT: We will take our afternoon break now.</p> <p>5 (Jury exits courtroom)</p> <p>6 THE COURT: 15 minutes.</p> <p>7 (Recess)</p> <p>8 (Jury present)</p> <p>9 THE COURT: Mr. Streeter.</p> <p>10 MR. STREETER: Thank you, your Honor.</p> <p>11 Your Honor, I am told I forgot to offer the</p> <p>12 photograph, which is Government Exhibit 3611.</p> <p>13 MR. LYNAM: No objection.</p> <p>14 THE COURT: Admitted.</p> <p>15 (Government's Exhibit 3611 received in evidence)</p> <p>16 Q. Mr. O'Keeffe, did Morgan Stanley work on an acquisition of</p> <p>17 ATI Technologies by a company called AMD?</p> <p>18 A. Yes.</p> <p>19 Q. Was that in 2006?</p> <p>20 A. That was announced in 2006, yes.</p> <p>21 Q. What business is AMD in?</p> <p>22 A. AMD makes semiconductors, they make microprocessors used in</p> <p>23 computers primarily, as well as graphics chips also used in</p> <p>24 computers.</p> <p>25 Q. What business was ATI Technologies in before it was</p>
<p>13N8RAJ6 O'Keeffe - direct Page 1854</p> <p>1 Q. In this particular deal, what company was the buyer and</p> <p>2 what company was acquired?</p> <p>3 A. IDT was the acquirer, ICST was the target in the merger.</p> <p>4 Q. Was this the stock chart for ICST?</p> <p>5 A. It is.</p> <p>6 Q. Can we go over to June 15 and highlight that portion?</p> <p>7 What happened to the price of the stock of ICST when</p> <p>8 the deal was announced?</p> <p>9 A. The price of the stock went from what looks like</p> <p>10 approximately \$19.75 per share to approximately \$21.75 per</p> <p>11 share.</p> <p>12 Q. Is this unusual, typical, how does this compare to other</p> <p>13 deals you have worked on?</p> <p>14 A. There tends to be a pretty broad range of reactions. It</p> <p>15 really depends on the premium that's being offered by the</p> <p>16 acquirer and a variety of other factors, such as the time to</p> <p>17 close, the market's view on likelihood of close.</p> <p>18 Q. What do you mean by a premium?</p> <p>19 A. Premium means the price at which the acquirer is paying in</p> <p>20 excess of the currently quoted price of the stock in the</p> <p>21 market.</p> <p>22 Q. If the premium, if that price is higher than where the</p> <p>23 stock is trading on the market, what generally happens to the</p> <p>24 price of the stock when there is a public announcement?</p> <p>25 A. Generally, it goes up to near the price that was agreed</p>	<p>13N8RAJ6 O'Keeffe - direct Page 1856</p> <p>1 acquired?</p> <p>2 A. ATI was primarily in the graphics cards and graphics chips</p> <p>3 business, and when I say AMD was in that business, it was as a</p> <p>4 result of the acquisition of ATI primarily.</p> <p>5 Q. Graphic chips are part of the semiconductor business too?</p> <p>6 A. Yes.</p> <p>7 Q. That's the area in which Mr. Ahmed worked generally?</p> <p>8 A. Correct. He covered semiconductor companies.</p> <p>9 Q. As of 2009, he was the co-head of the semiconductor</p> <p>10 business for Morgan Stanley?</p> <p>11 A. Yes. In 2009, not in 2005 and 6.</p> <p>12 Q. But in 2005 and 6, did he work in that area?</p> <p>13 A. He was a senior banker in the semiconductor group.</p> <p>14 Q. Can you turn to Government Exhibit 2438?</p> <p>15 What is that document?</p> <p>16 A. That document, it's another printout of a control group log</p> <p>17 similar to what we talked about earlier, which logs bankers'</p> <p>18 interactions with the control group as they log confidential</p> <p>19 information.</p> <p>20 Q. Does this relate to that acquisition of ATI by AMD?</p> <p>21 A. It does.</p> <p>22 MR. STREETER: The government offers 2438.</p> <p>23 MR. LYNAM: No objection.</p> <p>24 THE COURT: Admitted.</p> <p>25 (Government's Exhibit 2438 received in evidence)</p>

1308RAJ1            Goel - direct            Page 1912

1 A. It was a private company even then, sir.  
2 Q. Approximately when did Clearwire become a public company?  
3 A. Approximately 2007.  
4 Q. In 2008, you weren't assigned to the Clearwire transaction  
5 at Intel for Intel's additional investment in Clearwire?  
6 A. No, sir, I was not.  
7 Q. You testified two days ago, I believe, regarding your  
8 awareness of developments in that transaction that's eventually  
9 announced in May of 2008. Do you remember that testimony?  
10 A. Yes, sir.  
11 Q. In general, how did you become aware of developments in the  
12 Clearwire transaction in 2008 even though you weren't assigned  
13 to work on the deal?  
14 A. Clearwire was an unusual transaction for Intel Capital  
15 because it was such a large transaction. Intel Capital only  
16 ends up making smaller investments. So there was a lot of buzz  
17 within Intel Capital about this investment. And the fact that  
18 there was another large transaction on the horizon, a lot of  
19 people were talking within Intel, specifically Intel Capital,  
20 and that's how I came to know about the transaction.  
21 MR. BRODSKY: May I approach, your Honor?  
22 THE COURT: Yes.  
23 Q. Mr. Goel, I am showing you what is marked as Government  
24 Exhibit 502T. Do you see that?  
25 A. Yes, sir.

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1 Q. Do you recognize it?  
2 A. Yes, sir.  
3 Q. How do you recognize it?  
4 A. My initials are on the document.  
5 Q. Prior to coming to court today, did you review this  
6 transcript for the purposes of identifying the voices on the  
7 recording, Government Exhibit 502, and for accuracy of the  
8 transcript?  
9 A. Yes, sir.  
10 Q. Is 502T a fair reflection of what you heard on the recorded  
11 conversation?  
12 A. Yes, sir.  
13 MR. BRODSKY: To the extent we haven't yet offered it,  
14 we offer 502 and 502T.  
15 MR. LYNAM: No objection. I thought it was already  
16 in.  
17 THE COURT: I believe it is.  
18 (Government's Exhibit 502 and 502T received in  
19 evidence)  
20 MR. BRODSKY: May we publish that.  
21 Q. This was a call on what date?  
22 A. March 19, 2008.  
23 Q. At what time?  
24 A. 8:00 p.m.  
25 Q. This was a call from whom?

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1 A. Mr. Rajaratnam to myself.  
2 Q. Was this from Mr. Rajaratnam's cell phone?  
3 A. Yes.  
4 Q. The number there for you 650-492-0885, what was that  
5 number?  
6 A. That is my cell phone number as well.  
7 MR. BRODSKY: Ms. Pilcer, can we please play 502?  
8 Your Honor, if the jury members want to turn to the  
9 transcript in their binders?  
10 THE COURT: Yes. Certainly you're invited to.  
11 MR. BRODSKY: It's 502T.  
12 (Audiotape played)  
13 Q. Mr. Goel, let me ask you to turn to page 2 of the  
14 transcript, lines 36 through the end of the page, if we can  
15 blow that up.  
16 Mr. Goel, where you said, "Accha so," what did you  
17 mean by the term "accha"? You used that word a few times  
18 during this conversation?  
19 A. It has a few meanings. In this context, it's just OK.  
20 Q. You said, "I was supposed to meet with Sriram today." Who  
21 did you mean by Sriram?  
22 A. Sriram Viswanathan, a colleague of mine, ex-colleague of  
23 mine at Intel.  
24 Q. What was Mr. Viswanathan working on in March of 2008?  
25 A. He was heading the mobility investment group for Intel

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1 Capital, and he was also the vice president for the WiMAX  
2 program office for Intel Corporation. So he was negotiating,  
3 he was working on the Clearwire transaction for that purpose.  
4 Q. On line 37 to 38 you said, "We had a meeting. In fact, he  
5 was wondering where the h-e-l-l I was."  
6 Do you see that?  
7 A. Yes, sir.  
8 Q. "But we should be meeting tomorrow, I'll tell you." Do you  
9 see that?  
10 A. Yes, sir.  
11 Q. Do you remember the meeting you referred to when you said,  
12 "We had a meeting," do you remember what meeting?  
13 A. No, sir.  
14 Q. You then say, "I'll tell you, the Sprint thing is not  
15 happening in the short-term. OK?" Do you see that?  
16 A. Yes, sir.  
17 Q. What did you mean by "the Sprint thing"?  
18 A. At that time, the transaction that was being discussed was  
19 to take certain assets of Sprint, take certain assets of  
20 Clearwire -- and by assets I really mean Spectrum -- to join  
21 them to provide almost like a nationwide footprint of Spectrum,  
22 because Spectrum is the model in most cellular or wireless  
23 applications, and this would allow the assets of Clearwire and  
24 Sprint to come together. That's what I mean by that.  
25 Q. Is that something Mr. Viswanathan was working on or you

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1 were working on?  
2 A. Mr. Viswanathan was working on it. I was not.  
3 Q. Were there a lot of people at Intel working on that  
4 transaction at this time or a small number of people?  
5 A. There were a few people. I don't know the number, but  
6 there were a few people.  
7 Q. As compared to other investments that Intel Capital has  
8 made, were there a larger number of people working on this  
9 transaction or a fewer number of people?  
10 A. Much larger.  
11 Q. Was this an important transaction to Intel at the time?  
12 A. Yes, sir.  
13 Q. You say on lines, I think it's 39 and 40, "the Sprint thing  
14 is not happening in the short-term, OK?"  
15 Prior to this conversation on March 19, 2008 with Mr.  
16 Rajaratnam, did you speak with Mr. Rajaratnam about the Sprint  
17 thing, about this Clearwire transaction?  
18 A. Yes, sir.  
19 Q. Do you recall the number of times you spoke with Mr.  
20 Rajaratnam prior to March 19, 2008 about this transaction?  
21 A. I do not recollect the number of calls, but there were a  
22 few.  
23 Q. Was the information that you were learning from Mr.  
24 Viswanathan relating to the Clearwire transaction at this time  
25 confidential or public information?

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1 A. Confidential, sir.  
2 Q. Did you have authorization to disclose that confidential  
3 information to Mr. Rajaratnam?  
4 A. No, sir.  
5 Q. Was the information you were learning from others at Intel,  
6 in addition to Mr. Viswanathan, about the transaction  
7 confidential or public information?  
8 A. A combination.  
9 Q. It was a combination? With respect to the confidential  
10 aspects that you were learning from others at Intel about the  
11 Clearwire transaction at this time, were you authorized to  
12 disclose that information to Mr. Rajaratnam?  
13 A. No, sir, I was not.  
14 Q. Did you violate your obligations on this conversation on  
15 March 19, 2008, your duty of confidentiality to Intel?  
16 A. Yes, sir.  
17 Q. Prior to this call on March 19, 2008, and the other  
18 conversations you had with Mr. Rajaratnam about the Clearwire  
19 transaction, did you violate your obligations to Intel?  
20 A. I did not recall the specific conversations, but if I was  
21 reporting or providing any information that was confidential, I  
22 would have violated those, my duty to Intel.  
23 Q. Let me ask you to turn to page 3.  
24 MR. BRODSKY: If you can just blow up the words on the  
25 page.

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1 Q. At the top of the page, Mr. Goel, where you say, "There's a  
2 meeting, there's a board meeting. Intel has a board meeting in  
3 fact today." Do you see that?  
4 A. Yes, sir, I do.  
5 Q. Do you remember where you learned that fact that Intel  
6 Corporation had a board of directors meeting on March 19, 2008?  
7 A. It would have been from a colleague at Intel.  
8 Q. Do you remember that or are you inferring that from?  
9 A. No. I remember that, sir.  
10 Q. You remember it?  
11 A. Yes.  
12 Q. Was the fact that Intel Corporation was having a board  
13 meeting that day public information?  
14 A. No, sir, it was not, not to the best of my knowledge.  
15 Q. Did you violate your obligation to Intel by disclosing the  
16 fact there was going to be a board meeting that day?  
17 A. Yes, sir.  
18 Q. Now, on lines 10 and 11, you say, "It's not happening today  
19 at the board meeting. That much I can tell you." Do you see  
20 that?  
21 A. Yes, sir.  
22 Q. Do you recall what you were referring to that "it's not  
23 happening at the board meeting"?  
24 A. Yes, sir.  
25 Q. What was the "it's"?

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1 A. The it was the board approval for the transaction to invest  
2 in Clearwire.  
3 Q. Were you talking about the final approval or were you  
4 talking about preliminary approval? Do you remember?  
5 A. No, sir, I do not.  
6 Q. At the end of the conversation, do you see line 25, where  
7 Mr. Rajaratnam says, "thank you"?  
8 A. Yes, sir.  
9 Q. What was your understanding of what Mr. Rajaratnam was  
10 thanking you for?  
11 A. I didn't attribute any special meaning to it; it was just a  
12 friendly comment. I did not attribute anything to it.  
13 Q. Was Mr. Rajaratnam interested in learning about what was  
14 happening in the Clearwire transaction in March of 2008?  
15 A. Could you please repeat that question?  
16 Q. Was Mr. Rajaratnam interested in learning about what was  
17 happening with respect to the Clearwire transaction in March of  
18 2008?  
19 A. Yes, sir, he was.  
20 Q. How do you know he was interested?  
21 A. We would have several conversations; he would call me and  
22 we would have conversations.  
23 Q. Did he ask you questions about it?  
24 A. Yes, sir.  
25 Q. Mr. Goel, I am showing you 503T, 504T, 1046 and 505T. If

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1	you would take a moment to look at each of those documents,		1	last call.	
2	please.		2	Q. And some of it came from others?	
3	Q. You can start just with 503T. Have you had a chance		3	A. Some of it came from other colleagues at Intel, but most of	
4	to look at that?		4	this specific information came from Mr. Viswanathan.	
5	A. Yes, I have.		5	Q. Did you ever tell Mr. Viswanathan that you were going to	
6	Q. Prior to coming to court today, did you review this		6	pass along the information that you got from him to Mr.	
7	transcript in 503T?		7	Rajaratnam?	
8	A. Yes, sir.		8	A. No, sir, I did not.	
9	Q. Is it a fair reflection of the words spoken during the		9	Q. Why didn't you tell him that?	
10	conversation on March 20, 2008?		10	A. I didn't tell him.	
11	A. Yes, sir.		11	Q. If you told him, would you be disclosing a violation of a	
12	Q. Did you identify the voices in the conversation and make		12	duty of confidentiality?	
13	attributions as to who was speaking?		13	A. Yes, sir.	
14	A. Yes, sir.		14	Q. Let me direct your attention to line 7 where Mr. Rajaratnam	
15	MR. BRODSKY: Again, to the extent we haven't offered		15	says, "You guys put 600 million, right?"	
16	it, or if we have offered it subject to connection, we offer		16	Do you see that?	
17	503 and 503T.		17	A. I do.	
18	THE COURT: I believe it's already admitted.		18	Q. The 600 million, was that already public information?	
19	The jury may turn to that tab.		19	A. That was.	
20	Q. Mr. Goel, this is a call between you and Mr. Rajaratnam on		20	Q. That was the investment Intel made into Clearwire in 2006?	
21	March 20, 2008?		21	A. That is correct, sir.	
22	A. Yes.		22	Q. And then on line 11, Mr. Rajaratnam says, "And then you put	
23	Q. That's at 9:06 p.m.?		23	a billion." You see "you put a billion"?	
24	A. Yes, sir.		24	A. The "you" refers to Intel, sir.	
25	Q. Who is the call from?		25	Q. Did you inform Mr. Rajaratnam that Intel was going to put a	
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1	A. From Mr. Rajaratnam.		1	billion dollars at this time, that was Intel's plan to put a	
2	Q. And it's from his cellular telephone to your cellular		2	billion dollars, an additional billion dollars into Clearwire?	
3	telephone?		3	A. Yes.	
4	A. That is correct, sir.		4	MR. LYNAM: Can we have a time frame on this	
5	MR. BRODSKY: Would you please play that call?		5	conversation?	
6	(Audiotape played)		6	THE COURT: Mr. Brodsky, are you talking about this	
7	Q. Mr. Goel, at the end of that call there's some noises in		7	day?	
8	the background, it sounds like animals in the background?		8	MR. BRODSKY: Yes.	
9	A. There were roosters and dogs.		9	Q. Mr. Goel, prior to March 20, 2008, at a moment prior to	
10	Q. You were outside your house at the time?		10	this conversation, whether earlier that day, March 19, March	
11	A. Yes. I don't get very good cell reception in the house.		11	18, or some days prior to that, did you inform Mr. Rajaratnam	
12	Q. Let me ask you to jump to page 2 at the top of the page and		12	that Intel was considering putting in a billion dollars into	
13	direct your attention to the first line and the third line.		13	Clearwire?	
14	Where you asked, "Did you digest the information I		14	A. Yes, sir, I did.	
15	gave you?"		15	Q. Was that public information or confidential?	
16	Mr. Rajaratnam responds, "Yes, I see it very simple,		16	A. That was confidential information, sir.	
17	right? I looked at it, right?"		17	Q. On line 17, where you initially said -- on line 13, you	
18	Do you see that?		18	initially said 620 billion, and then you correct yourself on	
19	A. Yes, sir, I do.		19	line 17 and say 620 million. Do you see that?	
20	Q. Prior to this conversation, had you given information to		20	A. I do.	
21	Mr. Rajaratnam regarding the Clearwire transaction?		21	Q. What does the 620 million represent?	
22	A. Yes, sir.		22	A. It is the aggregate of the earlier investments, the 20	
23	Q. Where, in general, did you get that information from?		23	million in 2004 and the 600 million in 2006.	
24	A. A lot of it came from Mr. Viswanathan, Sriram Viswanathan,		24	Q. Both the 20 million and then the 600 million was public	
25	the person who we spoke about in the last conversation, the		25	information?	



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1 A. That was, indeed.  
2 Q. Then on line 19, Mr. Rajaratnam said, "And you get 10  
3 percent of the new entity, right?"  
4 Do you see that?  
5 A. I do.  
6 Q. Prior to this conversation on March 20, 2008, in or about  
7 March of 2008, did you inform Mr. Rajaratnam of Intel getting  
8 10 percent of the new entity?  
9 A. Yes, sir.  
10 Q. Was that privileged information or confidential  
11 information?  
12 A. That was confidential information, sir.  
13 Q. Then on line 23 through 24, where Mr. Rajaratnam says, "So,  
14 at minimum, the new entity's value, because you're not putting  
15 in any strategic stuff, right?" Do you see that?  
16 A. I do.  
17 Q. Was the fact that Intel wasn't going to be putting in any  
18 strategic stuff -- withdrawn.  
19 What was your understanding of strategic stuff?  
20 A. Strategic stuff is essentially assets that sometimes  
21 organizations put. So a good example is Sprint contributing  
22 its Spectrum to Clearwire. So they are investing not in cash,  
23 but in kind, in the form of an asset. That is my  
24 understanding, sir.  
25 Q. Was the fact that Intel wasn't putting in any assets or

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1 strategic stuff into this new company confidential information  
2 or public information at this time relating to 2008?  
3 A. That would be confidential, I suppose, yes, confidential.  
4 Q. And line 28 through 35, do you see where Mr. Rajaratnam is  
5 saying, "The new entity should be valued at \$16 billion," and  
6 then you say, "It's around 16 to \$18 billion." Do you see  
7 that?  
8 A. Yes, sir.  
9 Q. Is that a calculation that's being made by you and Mr.  
10 Rajaratnam?  
11 A. Yes, sir.  
12 Q. Was the calculation you and Mr. Rajaratnam were making  
13 based in part on confidential information you were giving to  
14 Mr. Rajaratnam relating to this proposed deal?  
15 A. Yes, sir.  
16 Q. If we go to page 3, directing your attention to lines 21  
17 through the end of the page.  
18 On line 21, Mr. Rajaratnam said, "You said the public  
19 owns 16 percent and McCaw owns 5 percent."  
20 Then on line 24 you said, "Public will own 16 percent  
21 in the eventual entity."  
22 Do you see that?  
23 A. Yes.  
24 Q. What did you mean by the "public will own 16 percent in the  
25 eventual entity"?

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1 A. The way the transaction works is you have a current set of  
2 shareholders. That's, for illustrative purposes, Intel,  
3 Mr. McCaw, and the public. Then you have a whole bunch of  
4 these new companies that are investing money, including Intel.  
5 So you have Sprint, you have Comcast, Google, Bright House, so  
6 on and so forth, and Intel.  
7 When they put in money, what happens is that the  
8 current shareholders, their ownership goes down. So I was  
9 correcting Mr. Rajaratnam in the sense that the current public  
10 will own 16 percent in the eventual entity, after these new  
11 investors come in.  
12 Q. So you were saying that, based on the deal proposed at the  
13 time, the transaction that was being worked on at the time, the  
14 public will own 16 percent in this new entity that will  
15 eventually be created?  
16 A. Yes, sir.  
17 Q. And was the percentage that the public will eventually own  
18 in this new entity public information or confidential  
19 information?  
20 A. Definitely confidential.  
21 Q. Then on line 21 to 22, Mr. Rajaratnam said, "McCaw owns 5  
22 percent."  
23 On line 28 you say, "McCaw will own 5 percent."  
24 What did you mean by the fact that "McCaw will own 5  
25 percent"?

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1 A. Like I mentioned earlier, when new money comes in, the  
2 existing shareholders, their ownership goes down. So I was  
3 clarifying it's not that Mr. McCaw owns 5 percent today, he  
4 will end up owning 5 percent, after the money comes in.  
5 Q. Was the fact that Mr. McCaw will own 5 percent in any  
6 eventual entity confidential information or public information  
7 at this time?  
8 A. Confidential information.  
9 Mr. Brodsky, I wanted to clarify one thing. I used  
10 the expression that the money comes in. It's not just money  
11 that's coming in; it's also Spectrum from Sprint that's coming  
12 in. I just want to clarify that.  
13 Q. Then on line 32, you say, "We will own 10 percent." Who  
14 did you mean by "we"?  
15 A. Intel.  
16 Q. Again, that was confidential or public information?  
17 A. Confidential.  
18 Q. So on line 40, when you said, "So 21, 31," was the 21 that  
19 you were referring to there the public's future ownership of 16  
20 percent and Mr. McCaw's future ownership of 5 percent added  
21 together?  
22 A. Yes, sir.  
23 Q. And the 31 that you said after the 21, is that the public's  
24 future ownership of 16 percent, Mr. McCaw's future ownership of  
25 5 percent, and Intel's future ownership of 10 percent?

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1 A. Yes, sir.  
2 Q. If we turn to page 4, if we blow up the first half of the  
3 page, on line 3 when Mr. Rajaratnam said, "The current entity  
4 without Google and without Sprint and all that."  
5        Then you on line 6 say, "Comcast, yeah."  
6        Do you see that?  
7 A. Yes, sir.  
8 Q. Did you inform Mr. Rajaratnam that Google and Comcast, in  
9 addition to Sprint and Clearwire, were going to be involved in  
10 this transaction to be announced in the future?  
11 A. Yes, sir.  
12 Q. Was that public information or confidential information?  
13 A. It was confidential.  
14 Q. On line 8, Mr. Rajaratnam says, "And Comcast owns 21  
15 percent." Do you see that?  
16 A. Yes, sir.  
17 Q. And then on lines 12 and 13, Mr. Rajaratnam says, "So 21  
18 percent of 16 or \$17 billion corporation is \$3.6 billion." Do  
19 you see that?  
20 A. Yes, sir, I do.  
21 Q. What is your understanding of the calculations Mr.  
22 Rajaratnam was trying to do based on the information you were  
23 providing him?  
24 A. Sir, he is -- the intent over here is to try and figure out  
25 what the value of the -- attributed value of the entity is

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1 prior, before the new money and Spectrum, etc., etc., the new  
2 investors comes in. So that is the reason why you take the  
3 current shareholders -- so that's public, Intel, McCaw -- and  
4 you figure out what the ownership is. And that's how you come  
5 up with the value of the current entity.  
6        So the first step is to find out what the eventual  
7 valuation is. Then you figure out what the current owners are  
8 going to own. And when you multiply the two, then you come up  
9 with the value of the current shareholders' holdings.  
10 Q. Let me ask you to look at line 20 at the bottom.  
11        Line 17 Mr. Rajaratnam says, "So the current value of  
12 Clearwire is at \$10 a share, which is where it sat around." Do  
13 you see that?  
14 A. Yes, sir.  
15 Q. What is your understanding of what Mr. Rajaratnam is saying  
16 about \$10 a share?  
17 A. Like I said, earlier it was the attribute of value, the  
18 theoretical value, the value because of the new money coming  
19 in. The \$10 per share, as I understand it, is what the current  
20 value of the share is trading at today.  
21 Q. That's where Clearwire was trading in March of 2008?  
22 A. Right. Assuming -- given that this is confidential  
23 information, this is before any information is released in the  
24 market, it was \$10.  
25 Q. Then you say on line 20, "Yeah. So the collar comes in

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1 between 17 to 20." Do you see that?  
2 A. Yes, I do.  
3 Q. The discussion continues relating to this collar through  
4 the end of the page. Do you see that?  
5 A. Yes, sir.  
6 Q. Was the information you were giving him about the collar,  
7 the \$17 to \$20, confidential or public information?  
8 A. It was confidential.  
9 Q. Was the mere existence that there was going to be a collar  
10 in this transaction confidential or public information?  
11 A. The mere existence would be confidential. It's a deal  
12 structure which is confidential.  
13 Q. If we turn to page 5 and go to the top of the page, 1  
14 through half of the page.  
15        On line 10, where Mr. Rajaratnam says, "Now, the new  
16 entity will have \$3-1/2 billion in cash." Do you see that?  
17 A. Yes, sir.  
18 Q. And then he says, "Plus they have 1.2 billion in cash; so  
19 4.7 in cash, with a debt of 1 billion, right?" Do you see  
20 that?  
21 A. I see that.  
22 Q. The new entity, the fact that there will be a new entity,  
23 was that confidential or public information?  
24 A. It's confidential. If nothing is released officially in  
25 the market, it is confidential.

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1 Q. When was the Clearwire transaction, this new entity  
2 eventually announced, do you remember?  
3 A. Eventually announced?  
4 Q. Yes, to the public.  
5 A. I believe it was sometime in May.  
6 Q. Of 2008?  
7 A. Of 2008.  
8 Q. Where it says on line 10, "The new entity will have \$3.5  
9 billion in cash," was the fact that at this time, in March of  
10 2008, the transaction under consideration was the new entity  
11 will have \$3.5 billions in cash public information or  
12 confidential at the time?  
13 A. Confidential.  
14 Q. The rest of that, where Mr. Rajaratnam says, "Plus they  
15 have 1.2 billion in cash," was the fact that Clearwire at that  
16 time had \$1.2 billion in cash public or confidential?  
17 A. That would be public, sir.  
18 Q. And adding the 3.5 to the 1.2 comes up with the 4.7 in  
19 cash?  
20 A. Yes.  
21 Q. Then, "With a debt of 1 billion." Do you see that?  
22 A. Yes, sir.  
23 Q. Mr. Rajaratnam then says on line 16, "So that's the math."  
24 Do you see that?  
25 A. Yes, sir.

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1 MR. BRODSKY: Let's blow up the second half of the  
2 page.  
3 Q. You see the discussion about Spectrum?  
4 A. Yes, sir.  
5 Q. On line 29 to line 30, you say, "Because Sprint will be  
6 transferring its Spectrum to this new entity, right?"  
7 A. Yes, sir.  
8 Q. Was the fact that Sprint was going to be transferring its  
9 Spectrum to this new entity public information or confidential  
10 at this time?  
11 A. At this time, it was confidential, sir.  
12 Q. On line 34, you say, "So what are you going to do?" Do you  
13 see that?  
14 A. Yes, sir.  
15 Q. Did you understand that Mr. Rajaratnam was going to trade  
16 based —  
17 MR. LYNAM: Objection, your Honor. Leading.  
18 THE COURT: Sustained.  
19 Q. Let me ask it this way, Mr. Goel.  
20 What were you asking him there when you said, "What  
21 are you going to do?"  
22 A. Mr. Rajaratnam and I come from different worlds, in the  
23 sense I view transactions from a private equity standpoint or a  
24 venture capital standpoint, whereas Mr. Rajaratnam was a  
25 prolific public trader, public investment trader.

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1 Q. What do you mean by a prolific public investment trader?  
2 A. He trades in public shares traded on the stock exchange,  
3 whereas I invest in private entities. So for me Spectrum  
4 valuation, etc. is important. I was trying to understand his  
5 perspective, because, as I recall, he was doing the math and I  
6 was doing the strategy, in terms of to know what we were  
7 thinking about.  
8 So what I am really asking, what are you going to do,  
9 is what are you going to do with this information in the public  
10 markets.  
11 Q. What do you mean by "in the public markets"?  
12 A. How are you going to factor that into your trading decision  
13 to buy or to sell, or to not do anything. That's basically.  
14 Q. When you say, how are you going to factor it into your  
15 trading decision to buy or sell, who is the "you"?  
16 A. The "you" is Mr. Rajaratnam.  
17 Q. So how Mr. Rajaratnam was going to factor in your  
18 information in a trading decision to buy or sell?  
19 A. I was trying to understand how these people do it, how Mr.  
20 Rajaratnam would process that information.  
21 Q. When you talk about your strategic thinking, your strategic  
22 view, is that a long-term view or a short-term view?  
23 A. That's a very long-term view from my perspective.  
24 Q. When you were talking about Mr. Rajaratnam making a trading  
25 decision about whether to buy or sell, is that a long-term view

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1 or a short-term view?  
2 A. Normally, it is a short-term view. That is my  
3 understanding.  
4 Q. Let me ask you to turn to line 36 through 38, where Mr.  
5 Rajaratnam says, "So what does it do, right? The first thing  
6 it says is because Time Warner and Comcast and somebody else  
7 you said, I forgot, you know." Do you see that?  
8 A. Yes, sir.  
9 Q. The fact that Time Warner was another participant in this  
10 future entity, was that public information or confidential at  
11 the time?  
12 A. It was confidential.  
13 Q. Let's go to the next page, page 6.  
14 There is a conversation on page 6 about who is going  
15 to be on the board of directors. Do you see that?  
16 A. Which line?  
17 Q. Page 6, the entire page.  
18 A. OK.  
19 Q. On line 39, you say, "There is going to be 13 members." Do  
20 you see that?  
21 A. Yes, sir.  
22 Q. Do you remember where you learned the fact that there were  
23 going to be 13 members on the board of directors from?  
24 A. From Mr. Viswanathan.  
25 Q. Was that public information, that there were going to be 13

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1 members on the board of directors?  
2 A. That was not public information; that was confidential  
3 information.  
4 Q. Now, if we go to the next page, after a little discussion  
5 between you and Mr. Rajaratnam on lines 9 through 11.  
6 MR. BRODSKY: We can blow up the top of the page  
7 through the middle of the page.  
8 Q. Do you see where you say, "So I don't know if that has a  
9 bearing on valuation." Do you see that?  
10 A. Yes, sir.  
11 Q. What were you talking about there, "if that has a bearing  
12 on valuation," what was the "that"?  
13 A. The composition of the board of directors, the names of the  
14 individuals.  
15 Q. And Mr. Rajaratnam says nobody -- what is your  
16 understanding of what he says on line 11?  
17 A. As I was saying earlier, our perspectives are quite  
18 different. For me, if you have strong governance, strong names  
19 on the board, in the venture capital world, that makes a huge  
20 difference, that has a major bearing on valuation. That is  
21 what I was alluding to. And when Mr. Rajaratnam talks about,  
22 nobody gives a dash about valuation, clearly what he was  
23 talking about was, my understanding, that the composition of  
24 the board has little bearing on the public valuation.  
25 Q. Now, can you turn to 504T in front of you?