

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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SECURITIES AND EXCHANGE COMMISSION,	:	
	:	No. 09 Civ. 8811 (JSR)
Plaintiff,	:	
	:	ECF CASE
- against -	:	
	:	
RAJ RAJARATNAM, and	:	
GALLEON MANAGEMENT, L.P.,	:	
	:	
Defendants.	:	
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**RAJ RAJARATNAM’S RESPONSE TO PLAINTIFF’S
STATEMENT OF UNDISPUTED MATERIAL FACTS AND
COUNTERSTATEMENT OF UNDISPUTED MATERIAL FACTS**

Pursuant to Rule 56.1 of the Local Rules of the Southern District of New York, Defendant Raj Rajaratnam submits this Response to Plaintiff’s Statement of Undisputed Material Facts and Counterstatement of Undisputed Material Facts.

The SEC moved for summary judgment on insider trading liability as to only five stocks, Akamai, ATI, Clearwire, Intel, and PeopleSupport (the “Collateral Estoppel Stocks”). The SEC’s argument in support of liability on the Collateral Estoppel Stocks is based exclusively on the theory that Mr. Rajaratnam is collaterally estopped from defending against the SEC’s allegations concerning them as a result of his conviction for similar conduct in the parallel criminal case, *United States v. Rajaratnam*, 09 Cr. 1184. Mr. Rajaratnam does not dispute that collateral estoppel applies to the SEC’s insider trading allegations concerning the Collateral Estoppel Stocks. As a result, many of the paragraphs in the SEC’s Statement of Undisputed Material Facts are actually immaterial to the SEC’s claims against Mr. Rajaratnam and are not appropriately included in a Rule 56.1 Statement.

Mr. Rajaratnam's Counterstatement of Material Undisputed Facts follows his below response to the SEC's Statement of Undisputed Material Facts.

MR. RAJARATNAM'S RESPONSE TO SEC'S ASSERTION OF UNDISPUTED MATERIAL FACTS	EVIDENTIARY SUPPORT
<p>1. The Commission filed its Second Amended Complaint in this action on January 29, 2010.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-1.¹</p>
<p>2. This Court has jurisdiction over this action pursuant to Sections 20(b), 20(d), and 22(a) of the Securities Act [15 U.S.C. §§ 77t(b), 77t(d), and 77v(a)] and Sections 21(d), 21(e), and 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 78u(e), and 78aa].</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Exs. A-1, ¶ 4; A-2, ¶ 4; A-7, ¶ 4.</p>
<p>3. Venue lies in this Court pursuant to Sections 20(b) and 22(a) of the Securities Act [15 U.S.C. §§ 77t(b) and 77v(a)] and Sections 21(d), 21A, and 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 78u-1, and 78aa].</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Exs. A-1, ¶ 5; A-2, ¶ 5; A-7, ¶ 5.</p>
<p>4. Raj Rajaratnam ("Rajaratnam") is the co-founder and the Managing General Partner of Galleon Management, LP ("Galleon").</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Exs. A-1, ¶ 7; A-7, ¶ 7.</p>
<p>5. Prior to founding Galleon, Rajaratnam worked at Needham & Co., a registered broker-dealer, for 11 years, at which time he held Series 7 and Series 24 securities licenses.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Exs. A-1, ¶ 7; A-7, ¶ 7.</p>
<p>6. On January 20, 2011, the United States filed a Second Superseding Indictment (the "S2 Indictment") against Rajaratnam in the matter U.S. v. Raj Rajaratnam, S2 09 Cr. 1184 (RJH) ("U.S. v. Rajaratnam").</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-4.</p>

¹ All citations are to exhibits attached to the accompanying Declaration of John Henderson in Support of Plaintiffs Motion for Partial Summary Judgment against Defendants Raj Rajaratnam and Galleon Management, LP.

<p>7. The S2 Indictment charged Rajaratnam with nine counts of securities fraud, in violation of Sections 78j(b) and 78ff of Title 15 of the United States Code, Section 2 of Title 18 of the United States Code, and Sections 240.10b-5 and 240.10b5-2 of Title 17 of the Code of Federal Regulations.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-4.</p>
<p>8. The S2 Indictment also charged Rajaratnam with five counts of conspiracy to commit securities fraud.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-4.</p>
<p>9. From March to April 2011, Rajaratnam was tried on the S2 Indictment before a jury in the United States District Court for the Southern District of New York, with Judge Holwell presiding over the trial.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-6 at 1; 5649:17-19.</p>
<p>10. On May 11, 2011, a jury convicted Rajaratnam of all 14 counts in the S2 Indictment.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-5.</p>
<p>11. Galleon, a Delaware limited partnership, is a registered investment adviser based in New York, New York, that, as of March 2009, had over \$2.6 billion under management.</p> <p>Rajaratnam Response: Disputed. Galleon filed with the Securities and Exchange Commission Form ADV-W on March 31, 2010, voluntarily withdrawing its registration as an investment adviser.</p>	<p>Exs. A-1, 6; A-2, ¶ 6.</p> <p>Declaration of George Lau in Support of Defendant Galleon Management, LP Opposition to Motion for Partial Summary Judgment at ¶ 5.</p>
<p>12. Galleon was founded in 1997 and registered with the Commission in January 2006.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Exs. A-1, ¶ 6; A-2, ¶ 6.</p>
<p>13. Galleon was the investment manager for several hedge funds, including, among others, Galleon Technology Offshore, Ltd., Galleon Diversified Fund, Ltd., Galleon Emerging Technology Offshore, Ltd., Galleon Buccaneers Offshore, Ltd., Galleon Explorers Offshore, Ltd., and Galleon Strategic Fund, Ltd.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-2, ¶ 6.</p>
<p>14. In the aftermath of the October 16, 2009, arrest of Rajaratnam on insider trading charges, Galleon began the process of liquidating itself and the hedge funds it advised.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-6 at 3954:4-3956:1; 4656:14-21.</p>

<p>15. Rajaratnam was the Portfolio Manager of several hedge funds for which Galleon was the investment adviser, including the Technology Offshore Fund, Technology Partners Fund, and Technology MAC Fund (collectively, the “Galleon Tech funds”) and the Diversified fund.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Exs. A-1, ¶ 7; A-7, ¶ 7; Ex. A-6 at 2562:15-22.</p>
<p>16. Rajaratnam controlled the trading accounts in which the Galleon Tech funds and the Diversified fund traded the stocks at issue in connection with this motion including with respect to:</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 2565:15-2567:12, 3363:15-3364, 3608:1-15, 5129-5131:19, 5135:20-5138:15;² Ex. T [GX 101]),</p>
<p>(a) Intel Corporation</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3373:1-3383:1; Ex. C [GX 4]);</p>
<p>(b) Clearwire</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 2453; 3391:10-22; Ex. G [GX 9]);</p>
<p>(c) Akamai</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 2453; 3470:7-3471; Ex. Q [GX 41]); and</p>
<p>(d) ATI.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3414-3418:23, 3422:14-3425:3, 3427:11-3428:21; Ex. N [GX 20-R].</p>
<p>17. The S2 Indictment charged Rajaratnam with securities fraud on the basis that he caused the Galleon Tech and/or Diversified funds to execute transactions in the securities of Intel Corp. (“Intel”) in or about April 2007 on the basis of material, nonpublic information.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-4 ¶¶ 40-41 (Count Fourteen).</p>
<p>18. Rajiv Goel testified at Rajaratnam’s trial.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-6 at 1560:7-11.</p>
<p>19. Goel and Rajaratnam were close friends.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1571:11.</p>

² “GX” means “Government Exhibit,” and refers to exhibits that the United States put in evidence in *United States v. Rajaratnam*.

<p>20. Goel and Rajaratnam studied together at Wharton Business School.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1572:15-16.
<p>21. Afterwards, they kept in touch, to the point where they and their families vacationed together.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1572:13-18.
<p>22. Rajaratnam told Goel that he worked at a fund in New York called Galleon, that Rajaratnam functioned as Galleon's CEO, and that Rajaratnam was managing money at Galleon.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1572:19-1573:1.
<p>23. Goel knew that Rajaratnam traded stocks and made money for his investors.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1573:2-6.
<p>24. Rajaratnam helped Goel financially in at least three different ways.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1576:11.
<p>25. Rajaratnam lent Goel \$100,000 when Goel was buying a house in 2005.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1576:11-12; 1577:5-7.
<p>26. Goel never repaid Rajaratnam for the loan.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1590:20-25.
<p>27. Rajaratnam gave Goel \$500,000 in 2006.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1576:17; 1577:8-11; 1591:22-1592:14.

<p>28. In or around 2005, Goel asked Rajaratnam to make Goel money by trading stocks in Goel's account.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1576:20-25.
<p>29. From 2007 to 2009, Goel frequently spoke with Rajaratnam both by phone and in person.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1573:21-1574:3.
<p>30. Intel is a microprocessor manufacturer headquartered in Santa Clara, California and it is a publicly-traded company.</p> <p>Rajaratnam Response: Undisputed.</p>	Ex. A-7, ¶ 34; Ex. A-6 at 1567:5-9.
<p>31. Goel began working at Intel in January 2000.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1562:17-20.
<p>32. Goel worked in Intel's treasury department.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1562:17-20.
<p>33. Intel's treasury department reported to Intel's Chief Financial Officer.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1564:6-9.
<p>34. As a member of Intel's treasury department, Goel worked with Intel Capital.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1564:12-13.
<p>35. Intel Capital invested money in strategic companies that would further the strategy of Intel.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1564:14-16.
<p>36. Goel's responsibility was to consider whether it made sense, financially, for Intel to participate in a deal, and how to structure such deals.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1564:22-24.

<p>37. Goel became a managing director of Intel's treasury department in approximately 2006.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1565:17-19.
<p>38. As a managing director, Goel continued to support the Intel Capital team.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1565:20-22.
<p>39. While working at Intel, Goel had access to nonpublic and confidential information about Intel.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1567:10-15.
<p>40. Goel knew, upon joining Intel, that he was obligated to keep nonpublic and confidential information that he learned while an employee of Intel, and to share such information on an as-needed basis and only if it was for the benefit of Intel.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1567:16-24; 1582:4-11.
<p>41. Goel violated his obligations with respect to nonpublic and confidential information of Intel by sharing that information in violation of the policies that were outlined to him.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1567:2-5.
<p>42. Goel shared information with Rajaratnam.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1568:1-10.
<p>43. Goel told Rajaratnam that Goel worked at Intel in the treasury department and with Intel Capital employees.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1573:13-18.
<p>44. Rajaratnam asked Goel for information about Intel.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1575:1-2.

<p>45. Rajaratnam told Goel that he was trading Intel stock.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1575:11-13.</p>
<p>46. In violation of his obligations to Intel, Goel shared with Rajaratnam Intel earnings and financial information, as well as information regarding strategic investments that Intel was going to make.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1568:12-1569:10.</p>
<p>47. The Intel earnings or financial information that Goel shared with Rajaratnam related to the first quarter of 2007.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1568:19-21.</p>
<p>48. In April 2007, a colleague of Goel's in Intel investor relations, Alex Lenke, shared with Goel information about Intel's quarterly earnings for the first quarter of 2007.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1569:3-12.</p>
<p>49. Lenke testified that in April 2007, Goel wanted to know about Intel's earnings.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 933:4-9.</p>
<p>50. Lenke told Goel information about Intel's revenue numbers and margins.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1647:14-18.</p>
<p>51. Lenke updated Goel about Intel's business outlook.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1647:22-1649:5.</p>

<p>52. During one of the update calls, Goel learned information that was “in kind of the opposite direction of the earlier” information.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1650:16-21.</p>
<p>53. Goel knew that the information he received from Lenke was confidential because Intel had not yet released the information.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1569:13-19.</p>
<p>54. Goel informed Rajaratnam as to Intel’s revenue and gross margin for the first quarter of 2007.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1651:7-12; 1675:18-1676:1.</p>
<p>55. Goel informed Rajaratnam of updates he received from Lenke.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1676:4-15.</p>
<p>56. Goel gave the information to Rajaratnam because he and Rajaratnam were good friends.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1575:18-23.</p>
<p>57. On April 9, 2007, approximately one week before Intel’s earnings announcement, Lenke learned that Intel’s quarterly revenue would be “significantly worse” than in prior years.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 934:2-937:4; Ex. AAA [GX 1070].</p>
<p>58. On April 9, 2007 at 10:15 a.m., a telephone call lasting 3 minutes was placed from a line subscribed to Goel to a line subscribed to Rajaratnam.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A [GX 2]; Ex. A-6 at 3368:13-3371:6.</p>

<p>59. On April 9, 2007 at 11:21, Rajaratnam sent an instant message to Ian Horowitz (“Horowitz”) that stated “short 1 million intc.”</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. ZZ [GX 1033]; Ex. A-6 at 3371:7-3372:11.</p>
<p>60. From 2006 forward, Horowitz was a trader at Galleon who traded Rajaratnam’s accounts.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 2654:5-8.</p>
<p>61. Rajaratnam caused the Galleon Tech fund to sell short 1 million shares of Intel on April 9, 2007.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. C [GX 4].</p>
<p>62. GX 4 is a summary chart that reflects Galleon Tech and Diversified trading in Intel stock from April 9, 2007 through April 17, 2007.</p> <p>Rajaratnam Response: No dispute as to content of exhibit but content is immaterial because of collateral estoppel.</p>	<p>Ex. C [GX 4]; Ex. A-6 at 3373:1-4.</p>
<p>63. FBI Supervisory Special Agent James C. Barnacle (“Agent Barnacle”) testified at Rajaratnam’s trial.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-6 at 3351:4-9.</p>
<p>64. The information in summary chart GX 4 was verified by Agent Barnacle by reference to GX 150; GX 100-D; GX 308; GX 309; GX 310; and GX 333.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. C [GX 4]; Ex. A-6 at 3374:7-16.</p>
<p>65. GX 150 includes copies of brokerage account statements reflecting trading by Galleon hedge funds.</p> <p>Rajaratnam Response: No dispute as to content of exhibit but content is immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3395:8-9.</p>

<p>66. GX 100-D reflects internal order management system data maintained by Galleon concerning, among other things, its purchase and sales of Intel securities.</p> <p>Rajaratnam Response: No dispute as to content of exhibit but content is immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3361:17-3362:21.</p>
<p>67. The manager codes included on GX 100-D include manager codes indicative of trades ordered by Rajaratnam.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 2567:8-11; 4699:21-4700:22; Ex. S [GX 78].</p>
<p>68. GX 308-310 and GX 333 are order tickets concerning Galleon’s trades concerning Intel stock.</p> <p>Rajaratnam Response: No dispute as to content of exhibits but content is immaterial because of collateral estoppel.</p>	<p>Ex. NNNN [S2].</p>
<p>69. Rajaratnam caused the Galleon Tech fund to sell short 150,000 shares of Intel on April 10, 2007.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. C [GX 4].</p>
<p>70. On April 12, 2007, Lenke learned information regarding Intel’s outlook, including “good news” about gross margins, which was “a very important driver of Intel’s stock price.”</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 937:10-941:14; Ex. BBB [GX 1072].</p>
<p>71. Lenke spoke with Goel about the earnings on April 12 or 13, and he had a specific recollection of also speaking with Goel on Monday, April 16, 2007.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 941:15-945:24.</p>

<p>72. On April 13, 2007, two telephone calls lasting a total of 11 minutes were placed from a line subscribed to Goel to a line subscribed to Lenke, including a 10 minute call beginning at 3:11 p.m.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A [GX 2]; Ex. A-6 at 3376:3-16.</p>
<p>73. On April 13, 2007 at 3:21 p.m., a telephone call lasting three minutes was placed from a line subscribed to Goel to a line subscribed to Rajaratnam.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A [GX 2]; Ex. A-6 at 3376:17-23.</p>
<p>74. On April 13, 2007, five minutes after his call with Goel, Rajaratnam caused the Galleon Tech fund to begin to cover its short position in Intel by buying 500,000 shares of Intel.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Exs. A, C [GX 2, 4]; Ex. A-6 at 3376:24-3377:9.</p>
<p>75. During the April 16, 2007 conversation, Lenke provided Goel with information about earnings and “told [Goel] this made him an insider.”</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 943:24-944:24.</p>
<p>76. On April 16, 2007, a total of six calls lasting a total of nine minutes were placed between lines subscribed to Goel and lines subscribed to Rajaratnam.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A [GX 2]; Ex. A-6 at 3378:19-3379:17.</p>
<p>77. On April 16, 2007 at 1:44 p.m., a call lasting two minutes was placed from a line subscribed to Rajaratnam to a line subscribed to Horowitz.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A [GX 2]; Ex. A-6 at 3379:17-19.</p>

<p>78. On April 16, 2007, Rajaratnam caused the Galleon Tech fund to cover its 650,000 short position in Intel and to buy an additional 500,000 shares.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. C [GX 4]; Ex. A-6 at 3379:20-3380:11.</p>
<p>79. On April 17, 2007, Rajaratnam caused the Galleon Tech and Diversified funds to purchase an additional 1,479,044 shares of Intel.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Exs. C, D [GX 4, 5]; Ex. A-6 at 3381:21-3382:7.</p>
<p>80. After Intel announced its first quarter results on April 17, 2007, its stock price went up.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3382:8-15; Exs. 0000, PPPP [GX 118, 1077].</p>
<p>81. The Galleon funds combined profit and loss avoidance on the above trades equaled \$2,481,271, consisting of profits of \$1,598,356 and avoided losses of \$882,915.</p> <p>Rajaratnam Response: Disputes amount and calculation method, and asserts that correct method is set forth in Declaration of Gregg A. Jarrell, Ph.D.</p>	<p>Ex. A-6 at 3385:14-3388:11; Ex. E [GX 6].</p> <p>Opp. Ex. B.</p>
<p>82. GX 6 is a summary chart that reflects Galleon Tech and Diversified profit and loss avoidance from trading Intel Stock from April 13 through April 17, 2007.</p> <p>Rajaratnam Response: No dispute as to content of exhibit but content is immaterial because of collateral estoppel.</p>	<p>Ex. E [GX 6]; Ex. A-6 at 3385:14-20.</p>
<p>83. Agent Barnacle verified the accuracy of the profit information represented in GX 6 by reference to Galleon's brokerage statements.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-6 at 3374:7-16.</p>

<p>84. The \$1,598,356 in Intel profits were calculated by Agent Barnacle by calculating the difference between the amount paid for the shares, and the price at which they were sold.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-6 at 3386:18-3387:19.</p>
<p>85. Agent Barnacle calculated the \$882,915 loss avoidance by calculating the difference between what the Intel shares were actually sold at and the opening price for Intel shares of common stock on the first trading day after April 17, 2007, the date of the announcement.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-6 at 3387:20-3388:11.</p>
<p>86. In calculating realized profits, Agent Barnacle calculated the difference between the purchase price for any given share purchase and the subsequent sale price.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-6 at 3386:14-3387; 3511:3-8.</p>
<p>87. In calculating profits on short sales, Agent Barnacle calculated the difference between the price at which any given share was sold, and the price at which covering shares were purchased.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-6 at 3511:18-24).</p>
<p>88. In calculating insider trading losses avoided (in anticipation of negative announcements), Agent Barnacle calculated the difference between the amount realized in closing a given share position and the value that such position would have had after public dissemination of the relevant news.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-6 at 3511-3512.</p>
<p>89. In calculating realized profits and losses avoided, Agent Barnacle netted purchases and sales of shares against one another on a first in, first out, or FIFO, basis.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-6 at 3387:4-19.</p>

<p>90. The S2 Indictment charged Rajaratnam with securities fraud on the basis that he caused the Galleon Tech and/or Diversified funds to execute transactions in the securities of Clearwire Corporation (“Clearwire”) on the basis of material, nonpublic information.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-4 ¶¶ 36-37 (Counts Six and Seven).</p>
<p>91. The S2 Indictment charged that Rajaratnam caused the Galleon Tech fund to purchase 125,800 shares of Clearwire common stock on approximately March 24, 2008 on the basis of material, nonpublic information.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-4 ¶ 37 (Count Six).</p>
<p>92. The S2 Indictment charged that Rajaratnam caused the Galleon Tech fund to purchase 136,000 shares of Clearwire common stock on approximately March 25, 2008 on the basis of material, nonpublic information.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-4 ¶ 37 (Count Seven).</p>
<p>93. Clearwire builds and operates wireless broadband networks in the United States and elsewhere, is headquartered in Washington state, and is publicly traded.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-7, ¶ 27.</p>
<p>94. In 2008, Goel shared with Rajaratnam information about a strategic investment that Intel was going to make in Clearwire.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1568:22-1569:2.</p>
<p>95. Goel learned confidential information about the Clearwire deal from a colleague of his, Sriram Viswanathan.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1570:15-20; 1916:23-1917:1.</p>

<p>96. In March 2008, Viswanathan headed the mobility investment group for Intel Capital and was also the vice president for the WiMAX program office for Intel.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1914:25-1915:2.</p>
<p>97. In March 2008, Viswanathan was working on the Clearwire deal.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1915:2-3.</p>
<p>98. Goel also learned about the deal because there was general “buzz” and excitement within Intel about the deal since it was a large transaction for Intel Capital.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1570:21- 1571:6; 1912:14-20.</p>
<p>99. Goel knew the information about the Clearwire deal was confidential because Intel had not made any formal announcements or issued any press releases about the deal.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1571:16-21.</p>
<p>100. Goel was not authorized to disclose information about the Clearwire deal to anyone outside Intel, including Galleon.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1341:19-25.</p>
<p>101. On March 19, 2008, Goel and Rajaratnam discussed the Clearwire deal by telephone.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. Z [GX 502-T]; Ex. A-6 at 1913:13-1915:24.</p>

<p>102. Goel also spoke with Rajaratnam about the Clearwire deal prior to March 19, 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1916:15-22.</p>
<p>103. On the evening of March 20, 2008, Goel and Rajaratnam again discussed the Clearwire deal.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Exs. AA, BB, CC [GX 503-T, 504-T, 505-T]; Ex. A-6 at 1920:3-1952:2.</p>
<p>104. Rajaratnam and Goel discussed how to value the new Clearwire entity based on certain, specific information regarding the deal, including that Intel would invest \$1 billion and receive 10 percent of the new entity.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. AA [GX 503-T]; Ex. A-6 at 1922:22-1924:12.</p>
<p>105. On a subsequent call between Goel and Rajaratnam on March 20, 2008, Goel informed Rajaratnam that the Intel board had approved the Clearwire deal the previous day.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. BB [GX 504-T].</p>
<p>106. The information that Rajaratnam and Goel discussed on the March 20 calls about the Clearwire deal was confidential.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1342-47; 1920:3-1935:3; 1943:8-1945:15; 1949:6-1952:2.</p>

<p>107. On the next trading day, March 24, 2008, Rajaratnam caused the Galleon Tech funds to purchase 185,000 shares of Clearwire stock.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. G [GX 9]; Ex. A-6 at 3394:19-3395:23.</p>
<p>108. Rajaratnam caused the Galleon Tech funds to purchase 200,000 shares of Clearwire stock on March 25, 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. G [GX 9]; Ex. A-6 at 3394:19-3395:23.</p>
<p>109. GX 9 is a summary chart that reflects trading by Rajaratnam’s manager code “TMT” in Clearwire Securities allocated to Galleon Tech funds on March 24, 2008 and March 25, 2008.</p> <p>Rajaratnam Response: No dispute as to content of exhibit but content is immaterial because of collateral estoppel.</p>	<p>Ex. G [GX 9]; Ex. A-6 at 3394:19-3395:23.</p>
<p>110. The information in GX 9 was verified by Agent Barncale by reference to GX 150, 100-J, 342, 343, 344, and 345.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. G [GX 9].</p>
<p>111. GX 100-J reflects internal order management system data maintained by Galleon concerning, among other things, its purchase and sales of Clearwire securities.</p> <p>Rajaratnam Response: No dispute as to content of exhibit but content is immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3361:17-3362:21.</p>
<p>112. The manager codes included on GX 100-J include manager codes indicative of trades ordered by Rajaratnam.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 2567:8-11; 4699:21-4700:22; Ex. S [GX 78].</p>

<p>113. GX 342-345 are order tickets concerning Galleon's trades in Clearwire stock.</p> <p>Rajaratnam Response: No dispute as to content of exhibits but content is immaterial because of collateral estoppel.</p>	<p>Ex. NNNN [S2].</p>
<p>114. Goel and Rajaratnam again discussed the status of the Clearwire deal on April 1, 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. DD [GX 514-T-R]; Ex. A-6 at 1962:10-1965:1.</p>
<p>115. Goel and Rajaratnam again discussed the status of the Clearwire deal on April 15, 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. EE [GX 519-T]; Ex. A-6 at 1966:21-1967:13.</p>
<p>116. Goel shared information about the Clearwire deal with Rajaratnam because they were good friends.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1575:24-1576:3.</p>
<p>117. Intel's investment in the Clearwire deal was publicly announced on May 7, 2008, approximately six weeks after the charged trades.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. OOO [GX 1152].</p>
<p>118. Overall, the Galleon Tech funds realized illicit gains of \$851,724 on their Clearwire trading described above.</p> <p>Rajaratnam Response: Disputes amount and calculation method, and asserts that correct method is set forth in Declaration of Gregg A. Jarrell, Ph.D.</p>	<p>Ex. A-6 at 3396:2-10; Ex. H [GX 12].</p> <p>Opp. Ex. B.</p>
<p>119. GX 12 is a summary chart that reflects Galleon Tech profit from purchases of Clearwire Stock on March 24 and 25, 2008.</p> <p>Rajaratnam Response: No dispute as to content of exhibit but content is immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3396:2-7; Ex. H [GX 12].</p>

<p>120. Agent Barnacle calculated profit information represented in GX 12 by reference to Galleon’s brokerage statements.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-6 at 3394:1-3396:7.</p>
<p>121. The S2 Indictment charged Rajaratnam with securities fraud on the basis that he executed transactions in the securities of PeopleSupport on the basis of material, nonpublic information he obtained from a source at PeopleSupport.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-4 ¶¶ 36-37 (Counts Eleven and Twelve).</p>
<p>122. The S2 Indictment charged that Rajaratnam purchased 15,000 shares of PeopleSupport common stock on approximately July 28, 2008 on the basis of material, nonpublic information.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-4 ¶ 37 (Count Eleven).</p>
<p>123. The S2 Indictment charged that Rajaratnam purchased 30,000 shares of PeopleSupport common stock on approximately October 7, 2008 on the basis of material, nonpublic information.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-4 If 37 (Count Twelve).</p>
<p>124. From 2005 to 2009, Rajaratnam traded in a brokerage account that belonged to Goel.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1607:16-22.</p>
<p>125. PeopleSupport was a company that performed outsourcing work for other businesses.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1028:19-20.</p>
<p>126. PeopleSupport handled call center work for its clients, meaning that it took customer service calls on behalf of its clients.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1028:21-24.</p>

<p>127. PeopleSupport became a public company in 2004.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1029:6-7.</p>
<p>128. At one point, Galleon was PeopleSupport's largest public investor.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1030:9-10.</p>
<p>129. Galleon and PeopleSupport reached an agreement whereby Galleon could suggest a member for PeopleSupport's board of directors.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1030:14-17.</p>
<p>130. Galleon reached the agreement with PeopleSupport in early 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1031:11-13; Ex. CCC [GX 1100].</p>
<p>131. Galleon's designee for the PeopleSupport board was Krish Panu.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1031:14-16; Exs. CCC, DDD [GX 1100, 1101].</p>
<p>132. Panu sat on PeopleSupport's board for most of 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1036:1-7; Ex. DDD [GX 1101].</p>
<p>133. Panu executed a non-disclosure agreement with PeopleSupport.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1038:21-1039:1; 1162:11-1163:2; Ex. EEE [GX 1102].</p>

<p>134. The agreement required Panu to keep PeopleSupport information confidential.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1039:8-24; 1163:3-1164:2; Ex. EEE [GX 1102].</p>
<p>135. The agreement provided that if Panu disclosed any PeopleSupport confidential information, he could do so only to those who needed to know the information to evaluate a proposed transaction provided that the persons to whom he disclosed the information were also bound by the confidentiality restrictions of the agreement.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1039:25-1040:18; Ex. EEE [GX 1102].</p>
<p>136. As a member of PeopleSupport’s board of directors, Panu had access to all information that was shared with the board of directors, including confidential information.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1041:11-17.</p>
<p>137. PeopleSupport had an insider trading policy in 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. MMM [GX 1128]; Ex. A-6 at 1043:4-1046:10.</p>
<p>138. The policy prohibited PeopleSupport employees who had material non-public information about PeopleSupport from buying or selling securities of the company, or engaging in any other action to take advantage of or pass on to others that information.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. MMM [GX1128]; Ex. A-6 at 1044:20-1045:5.</p>
<p>139. In 2008, there were discussions at the board level of PeopleSupport regarding potentially selling the company to another company.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1046:12-15.</p>

<p>140. In May 2008, PeopleSupport began to engage in talks with other companies about being acquired.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1055:4-23.</p>
<p>141. PeopleSupport board members learned about these talks.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1055:24-1056:1.</p>
<p>142. The board members could not disclose information about PeopleSupport potentially being acquired, per the PeopleSupport insider trading policy.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1056:2-6.</p>
<p>143. Aegis, a division of an Indian company called the Essar Group, became the focus of talks about acquiring PeopleSupport.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1055:14-18; 1056:7-13.</p>
<p>144. PeopleSupport and Aegis engaged in confidential negotiations and discussions in 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1057:4-17.</p>
<p>145. On June 30, 2008, Panu received an email with a presentation to the PeopleSupport board indicating that the board had chosen to undertake a review of a potential sale of the company.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1061:16-1062:23; Exs. FFF, GGG [GX 1106, 1107].</p>
<p>146. PeopleSupport held a meeting of the board of directors on June 30, 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. HHH [GX 1108]; Ex. A-6 at 1064:4-16.</p>

<p>147. Panu attended the meeting.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1064:17-18.
<p>148. The board discussed a potential acquisition by the Essar Group.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1064:19-23.
<p>149. On June 30, 2008, a total of four telephone calls lasting a total of 14 minutes were placed from a line subscribed to Panu to a line subscribed to Rajaratnam.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. I [GX 14]; Ex. A-6 at 3401:14-3403:23.
<p>150. On July 2, 2008, either Mr. Rajaratnam or someone working for him or at his behest purchased 15,000 shares of PeopleSupport in Goel's Charles Schwab account.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. PPP [GX 1278]; Ex. A-6 at 1978:25-1979:20; 3404:1-8.
<p>151. PeopleSupport was headquartered in California.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 1116:23-1117:1.
<p>152. Krish Panu was the head of a Galleon fund based out of Galleon's California office.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 2621:16-17.
<p>153. From July 21 to July 25, 2008, a total of five calls lasting a total of 89 minutes were placed from a line subscribed to Galleon's California office to a line subscribed to Rajaratnam.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. I [GX 14]; Ex. A-6 at 3406:19-3407:5.

<p>154. PeopleSupport held a board meeting on July 28, 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. III [GX 1113]; Ex. A-6 at 1067:6-9.</p>
<p>155. Panu attended the board meeting.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. III [GX 1113]; Ex. A-6 at 1067:6-11.</p>
<p>156. At the board meeting, details for a deal between PeopleSupport and Aegis were discussed, including the anticipated date for signing the deal and announcing it to the public.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. III [GX 1113]; Ex. A-6 at 1068:2-23.</p>
<p>157. Panu was obligated to keep this information confidential.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1069:5-15.</p>
<p>158. On July 28, 2008, a call lasting seven minutes was placed from a line subscribed to Panu to a line subscribed to Rajaratnam.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. I [GX 14]; Ex. A-6 at 3406:1-9.</p>
<p>159. On July 28, 2008, either Mr. Rajaratnam or someone working for him or at his behest purchased 15,000 shares of PeopleSupport in Goel's Charles Schwab account.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. QQQ [GX 1279]; Ex. A-6 at 1979:21-1981:10; 3406:12-14.</p>

<p>160. On July 30, 2008, Rajaratnam and Goel spoke by telephone.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. GG [GX 539-T]; Ex. A-6 at 1983:25-1986:21.</p>
<p>161. Rajaratnam told Goel that “the Ruias made a firm bid now . . . [i]n the amount, 12.25.”</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. GG [GX 539-T at 2:37-41].</p>
<p>162. The Ruias were the chairman and vice chairman and principal owners of the Essar Group.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1075:3-7.</p>
<p>163. The information that Rajaratnam disclosed to Goel was confidential.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1176:2-5.</p>
<p>164. No one on the PeopleSupport board of directors could trade based on that information or provide it to someone at Galleon so that Galleon could trade on it.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1176:6-1177:8.</p>
<p>165. The deal between PeopleSupport and Aegis was announced on August 4, 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. X [GX 117]; Ex. A-6 at 1073:6-20.</p>
<p>166. Goel estimated he made approximately \$103,000 from the sale of the 30,000 PeopleSupport shares on August 11, 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1988:10-1989:7.</p>

<p>167. Consistent with Goel's estimate, Agent Barnacle calculated Goel's profits as \$102,143.</p> <p>Rajaratnam Response: Disputes amount and calculation method, and asserts that correct method is set forth in Declaration of Gregg A. Jarrell, Ph.D.</p>	<p>Ex. A-6 at 3408:10-16; Exs. J, PPP-RRR [GX 16, 1278-1280].</p> <p>Opp. Ex. B.</p>
<p>168. GX 16 is a summary profit calculation concerning the PeopleSupport Trading done in Goel's account in August of 2008.</p> <p>Rajaratnam Response: No dispute as to content of exhibit but content is immaterial because of collateral estoppel.</p>	<p>Ex. J [GX 16].</p>
<p>169. Agent Barnacle used GX 1278-1280 to verify the accuracy of GX 16.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. J [GX 16].</p>
<p>170. GX 1278-1280 are Goel brokerage account statements for July and August of 2008.</p> <p>Rajaratnam Response: No dispute as to content of exhibits but content is immaterial because of collateral estoppel.</p>	<p>Exs. PPP-RRR [GX 1278-1280].</p>
<p>171. In October 2008, the Essar Group contacted PeopleSupport and told PeopleSupport that it needed an extra two weeks to close the deal between Aegis and PeopleSupport, due to liquidity problems in the economy.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1079:19-23.</p>
<p>172. PeopleSupport announced this information to the public on the morning of October 7, 2008, causing its stock price to drop.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1079:25-1080:3; 1092:6-1094:7; Exs. JJJ, Y [GX 1120, 120].</p>

<p>173. PeopleSupport worked out a revised agreement with the Essar Group and a revised closing schedule by the end of the day on October 7, 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1080:6-11; 1094:8-14; Exs. KKK, NNN [GX 1121, 1135].</p>
<p>174. All of the information about the trouble closing the deal with Essar Group was conveyed to the PeopleSupport board of directors, including Panu.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1080:12-17; 1089:25-1090:3; 1094:8-14; Ex. LLL [GX 1127].</p>
<p>175. All of the developments about the trouble closing the deal with Essar Group that occurred during the day on October 7, 2008 were confidential.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1080:18-1081:3; 1098:18-1099:9.</p>
<p>176. The following day PeopleSupport's stock price went back up.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1081:6-8; Ex. Y [GX 120].</p>
<p>177. On October 6, 2008, at least one call lasting at least two minutes was placed between a line subscribed to Panu and a line subscribed to Rajaratnam.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. K [GX 17]; Ex. A-6 at 3409:11-3411:4.</p>

<p>178. On October 7, 2008 at 12:27 p.m., a call lasting 10 minutes was placed from a line subscribed to Galleon to a line subscribed to Panu.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. K [GX 17]; Ex. A-6 at 3411:16-17.</p>
<p>179. On October 7, 2008, at 1:46 p.m., Rajaratnam and Goel spoke by phone.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. KK [GX 654-T-G].</p>
<p>180. Rajaratnam told Goel about the delay in PeopleSupport closing the deal with the Essar Group and said “[w]e know because one of our guys is on the board.”</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. KK [GX 654-T-G at 1:31-43]; Ex. A-6 at 1101:24-1102:25.</p>
<p>181. Rajaratnam also told Goel that he bought shares of PeopleSupport in Goel’s Charles Schwab account.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. KK [GX 654-T-G at 2]; Ex. A-6 at 1103:11-1105:13.</p>
<p>182. On October 7, 2008, Rajaratnam purchased 30,000 shares of PeopleSupport in Goel’s Charles Schwab account.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1991:15-1992:16; 3412:16-20; Exs. L, M, KK, SSS [GX 18, 19, 654-T-G, 1281].</p>
<p>183. Goel estimated he made approximately \$50,000 in profit from the October 9 sale of the 30,000 PeopleSupport shares purchased on October 7, 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1999:8-21.</p>

<p>184. Consistent with Goel's estimate, Agent Barnacle calculated Goel's profit as \$49,806.</p> <p>Rajaratnam Response: Disputes amount and calculation method, and asserts that correct method is set forth in Declaration of Gregg A. Jarrell, Ph.D.</p>	<p>Ex. A-6 at 3412:14-3413:6; Exs. L, M [GX 18, 19].</p> <p>Opp. Ex. B.</p>
<p>185. GX 19 is a summary profit calculation concerning Rajiv Goel's PeopleSupport Trading.</p> <p>Rajaratnam Response: No dispute as to content of exhibit but content is immaterial because of collateral estoppel.</p>	<p>Ex. M [GX 19].</p>
<p>186. Agent Barnacle used GX 1281 and 1282 to verify the accuracy of the information in GX 19.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. M [GX 19].</p>
<p>187. GX 1281 and GX 1282 are Goel's October 2008 brokerage account statements.</p> <p>Rajaratnam Response: No dispute as to content of exhibits but content is immaterial because of collateral estoppel.</p>	<p>Exs. SSS, TTT [GX 1281, 1282].</p>
<p>188. The S2 Indictment charged Rajaratnam with securities fraud on the basis that he caused the Galleon Tech and/or Diversified funds to execute transactions in the securities of Akamai on the basis of material, nonpublic information he obtained from Danielle Chiesi.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-4 ¶¶ 36-37 (Counts Eight, Nine and Ten).</p>
<p>189. The S2 Indictment charged that Rajaratnam caused the Galleon Tech fund to sell short 138,550 shares of Akamai common stock on approximately July 25, 2008 on the basis of material, nonpublic information.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-4 ¶ 37 (Count Eight).</p>

<p>190. The S2 Indictment charged that Rajaratnam caused the Galleon Tech fund to sell short 173,300 shares of Akamai common stock on approximately July 29, 2008 on the basis of material, nonpublic information.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-4 ¶ 37 (Count Nine).</p>
<p>191. The S2 Indictment charged that Rajaratnam caused the Galleon Tech fund to sell short 86,650 shares of Akamai common stock and to sell 1,400 Akamai put options on approximately July 30, 2008 on the basis of material, nonpublic information.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-4 ¶ 37 (Count Ten).</p>
<p>192. Akamai Technology is a company that accelerates content and application delivery over the internet.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3217:14-16.</p>
<p>193. Akamai is a public company.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3218:2-3.</p>
<p>194. Prior to the time that Akamai reports earnings results to the public, they are confidential.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3218:16-19.</p>
<p>195. Akamai has a code of conduct that prohibits employees from insider trading on material, nonpublic information about Akamai and selectively disclosing such information to select individuals or groups.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3218:22-3223:4; Ex. LLLL [GX 2608].</p>

<p>196. Kieran Taylor was an Akamai employee from at least November 2005 to late 2009.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3224:8-15.</p>
<p>197. Taylor received the Akamai code of conduct.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. EEEE [GX 2544]; Ex. A-6 at 3223:5-19.</p>
<p>198. In the summer of 2008 Taylor was the senior director of marketing for Akamai.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3224:16-18.</p>
<p>199. Taylor was acquainted with Danielle Chiesi.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Exs. FFFF, GGGG [GX 2545, 2546]; Ex. A-6 at 3225:15-3227:11.</p>
<p>200. In April 2008, Taylor was reminded by his boss at Akamai about his responsibilities not to give material nonpublic information to anyone in the investor community.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3234:4-3237:23; Exs. HHHH, IIII [GX 2557, 2558].</p>
<p>201. From time to time while he worked at Akamai, Taylor learned nonpublic financial information about the company.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3225:5-7; 3243:9-3249:6; Ex. KKKK [GX 2566].</p>
<p>202. By July 17, 2008, according to a draft earnings call script, Akamai expected to lower its revenue guidance for 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. CCCC [GX 2502 at 10]; Ex. A-6 at 3253:23-3256:13.</p>

<p>203. This information was confidential as of July 17, 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3256:10-13.</p>
<p>204. During the week of July 23, 2008, Taylor had meetings with employees of Akamai who knew about the upcoming downward guidance.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Exs. DDDD, MMMM [GX 2507, 2614-B]; Ex. A-6 at 3260:8-3264:17; 3266:4-3272:8.</p>
<p>205. On July 24, 2008, a total of three calls lasting a total of 30 minutes were placed between lines subscribed to Chiesi and lines subscribed to Taylor, including, at 8:52 p.m., a call lasting 15 minutes.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. P [GX 39]; Ex. A-6 at 3469:3-19.</p>
<p>206. On July 24, 2008, Chiesi spoke to Rajaratnam by phone at 9:18 p.m.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. FF [532-T].</p>
<p>207. Chiesi told Rajaratnam that Akamai was going to guide down and that internal people at Akamai expected the company's stock price would drop to \$25 per share.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. FF [GX 532-T at 1:26-43].</p>
<p>208. On July 25, 2008, Rajaratnam caused the Galleon Tech fund to sell short 200,000 shares of Akamai.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. Q [GX 41]; Ex. A-6 at 3471:9-3472:2.</p>

<p>209. GX 41 is a summary chart that reflects Galleon Tech's trading in Akamai securities from July 25, 2008 through July 30, 2008.</p> <p>Rajaratnam Response: No dispute as to content of exhibit but content is immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3470:7-11; 3471:9-3472:2.</p>
<p>210. The information in GX 41 was verified by Agent Barnacle by reference to GX 150; GX 100-F; and GX 103-A.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. Q [GX 41].</p>
<p>211. GX 100-F reflects internal order management system data maintained by Galleon concerning, among other things, its purchase and sale of Akamai securities.</p> <p>Rajaratnam Response: No dispute as to content of exhibit but content is immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3361:17-3362:21.</p>
<p>212. The manager codes included on GX 100-F include manager codes indicative of trades ordered by Rajaratnam.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 2567:8-11; 4699:21-4700:22; Ex. S [GX 78].</p>
<p>213. GX 103-A reflects internal order management system data maintained by Galleon concerning, among other things, its purchase and sale of Akamai securities.</p> <p>Rajaratnam Response: No dispute as to content of exhibit but content is immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3361:17-3362:21.</p>
<p>214. The manager codes included on GX 103-A include manager codes indicative of trades ordered by Rajaratnam.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 2567:8-11; 4699:21-4700:22; Ex. S [GX 78].</p>
<p>215. On July 29, 2008, Rajaratnam caused the Galleon Tech fund to sell short 250,000 shares of Akamai.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. Q [GX 41]; Ex. A-6 at 3471:9-3472:2.</p>

<p>216. On July 30, 2008, Rajaratnam caused the Galleon Tech fund to sell short 125,000 shares of Akamai.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. Q [GX 41]; Ex. A-6 at 3471:9-3472:2.</p>
<p>217. On July 30, 2008, Rajaratnam caused the Galleon Tech fund to buy 2,000 Akamai put options.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. Q [GX 41]; Ex. A-6 at 3471:9-3472:2.</p>
<p>218. On July 30, 2008, after the close of trading, Akamai publicly announced that it was lowering its guidance for 2008.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3279:10-3280:23; Ex. JJJ [GX 2562].</p>
<p>219. Akamai's share price declined after the announcement.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3281:25-3282:1; Exs. V, W [GX 116, 116T].</p>
<p>220. On July 30, 2008, Chiesi spoke to Rajaratnam by phone.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. HH [GX 543-T].</p>
<p>221. Rajaratnam thanked Chiesi.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. HH [GX 543-T at 1:19].</p>
<p>222. On August 27, 2008, Chiesi spoke to Rajaratnam by phone.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. II [GX 594-T-R].</p>
<p>223. Rajaratnam told Chiesi "[o]n Akamai, or IBM, anything, be radio silent."</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. II [GX 594-T-R at 3:4-5].</p>

<p>224. On September 9, 2008, Chiesi spoke to Taylor by phone.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. LL [GX 698-T].</p>
<p>225. Chiesi and Taylor discussed Akamai and AMD.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. LL [GX 698-T].</p>
<p>226. On September 23, 2008, Chiesi spoke to Rajaratnam by phone.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. JJ [GX 625-T-R].</p>
<p>227. Rajaratnam told Chiesi, “I must defer to you on IBM.” Chiesi responded, “And Akamai too.” Rajaratnam responded, “Akamai too”</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. JJ [GX 625-T-R at 4:17-22].</p>
<p>228. On October 10, 2008, Chiesi spoke to Taylor by phone.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. MM [GX 703-T].</p>
<p>229. Taylor told Chiesi that he had a “major present” for her and that the present was information.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. MM [GX 703-T at 4:3, 11].</p>
<p>230. At the time of the call, Taylor had learned material nonpublic information about something that Akamai was working on.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3289:15-3290:20.</p>

<p>231. Overall, the Galleon Tech funds realized illicit gains of \$5,139,851, in connection with the Akamai trading described above.</p> <p>Rajaratnam Response: Disputes amount and calculation method, and asserts that correct method is set forth in Declaration of Gregg A. Jarrell, Ph.D.</p>	<p>Ex. A-6 at 3473:16-25; Ex. R [GX 44].</p> <p>Opp. Ex. B.</p>
<p>232. GX 44 is a summary chart that reflects Galleon Tech profits from trading in Akamai securities beginning on July 25, 2008.</p> <p>Rajaratnam Response: No dispute as to content of exhibit but content is immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3473:16-20; Ex. R [GX 44].</p>
<p>233. GX 44 was verified by Agent Barnacle by reference to GX 150.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. R [GX 44].</p>
<p>234. Agent Barnacle did not include in his profit calculations for Galleon Tech profits any profits from any pre-existing short position held by Galleon Tech.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-6 at 3473:21-25.</p>
<p>235. The S2 Indictment charged Rajaratnam with securities fraud on the basis that he caused the Galleon Tech and/or Diversified funds to execute transactions in the securities of ATI from in or about March 2006 to in or about July 2006 on the basis of material, nonpublic information.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-4 ¶¶ 38-39 (Count Thirteen).</p>

<p>236. Anil Kumar worked at McKinsey & Company, an international management consulting firm, for twenty-three and a half years, from approximately 1986 to 2009.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 232:11-236:4; 241:6-7.</p>
<p>237. From 2002 to 2008, Kumar worked in McKinsey’s global outsourcing and offshoring practice, which helped its clients decide where they should do manufacturing, research and other functions, and then in McKinsey’s practice on globalization.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 235:15-236:4.</p>
<p>238. McKinsey had a code of professional responsibility that required its employees to protect the confidentiality of client information.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 273:4-274:24; Ex. OO [GX 751].</p>
<p>239. Kumar also signed a confidential information agreement with McKinsey that he would not make unauthorized disclosures of confidential client information.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 275:10- 277:7; Ex. NN [GX 750].</p>
<p>240. AMD is a semiconductor company that makes chips that go into laptops and PCs.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 280:14-16.</p>
<p>241. AMD had an agreement with McKinsey that McKinsey would keep AMD’s information confidential.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 281:11-282:24; Ex. PP [GX 754].</p>

<p>242. From 2004 to 2009, AMD was a client of Kumar's.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 287:22-288:15.
<p>243. Kumar met Rajaratnam in business school in approximately 1982.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 250:8-10.
<p>244. From approximately 1983 to 1993, Rajaratnam and Kumar met once or twice a year.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 251:9-19.
<p>245. Kumar was aware that Rajaratnam founded the Galleon hedge fund.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 252:7-16.
<p>246. From 1999 to 2003, Kumar spoke with Rajaratnam three to four times a year.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 255:5-16.
<p>247. On behalf of McKinsey, Kumar sought to provide services to Galleon in 2002.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 257:11-19.
<p>248. In late 2003, Rajaratnam offered to retain Kumar as a consultant outside of McKinsey for a half million dollars a year.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	Ex. A-6 at 263:18-264:9.

<p>249. Kumar agreed to the arrangement after discussions with Rajaratnam.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 264:17-18.</p>
<p>250. Rajaratnam suggested to Kumar to find someone in India who could accept the payments and who could reinvest the money in Galleon.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 266:1-4.</p>
<p>251. Kumar found someone who signed the consulting agreement with Rajaratnam.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 266:16-18.</p>
<p>252. An employee of Rajaratnam set up the entity Pecos Trading Company with a bank account in Switzerland to receive the money.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 266:21-267:7.</p>
<p>253. Kumar used the name of his housekeeper, Manju Das, to set up an off-shore account at Galleon.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 267:12-271:24; Ex. UUU [GX 2105].</p>
<p>254. In exchange, Rajaratnam asked Kumar to keep track of his knowledge in the industry and share it with Rajaratnam, and to keep a list of ideas that Kumar heard and chat with Rajaratnam about what he had seen once a month or every six weeks.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 271:25-272:16.</p>

<p>255. In 2004 and 2005, Kumar received a total of \$1.1 to \$1.2 million dollars from Rajaratnam.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 283:3-20, 325:22-333:25, 337:3-342:10; Exs. QQ, RR, SS, VVV-BBBB [GX 764, 766, 767, 2119-21251.</p>
<p>256. In or around December 2005, Rajaratnam told Kumar that Kumar's advice was not as valuable because Kumar was not able to get Rajaratnam the detailed quarterly financial results that Rajaratnam wanted from either AMD or Kumar's other clients, and Rajaratnam wanted to move to an arrangement whereby he monitored the benefit of what Kumar told him.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 341:18-342:24.</p>
<p>257. In 2006, Kumar told Rajaratnam that he would prefer that at the end of the year Rajaratnam decide, in Rajaratnam's judgment, whether there was any value to Kumar's information and what to pay Kumar.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 345:2-12.</p>
<p>258. In September 2005, AMD began to look for a way to partner with another company that specialized in graphics chips.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 346:12-347:2.</p>
<p>259. Kumar signed a non-disclosure agreement with AMD concerning the prospect of AMD's partnering with a graphics chip company.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 347:12-349:20; Ex. VV [GX 805].</p>
<p>260. ATI was a leading graphics chip company.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 345:24-346:5.</p>

<p>261. Kumar told Rajaratnam that AMD was considering partnering with a graphics company, including potentially ATI.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 350:2-20.</p>
<p>262. By December 2005, McKinsey was proposing to help AMD approach ATI about a possible combination.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 350:21-353:12; Ex. YY [GX 846].</p>
<p>263. In late December 2005, AMD opened a dialogue with ATI.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 354:9-10; Ex. WW [GX 809].</p>
<p>264. Kumar told Rajaratnam that AMD was in early discussions with ATI.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 354:21-355:3.</p>
<p>265. Kumar told Rajaratnam that a potential deal between AMD and ATI should not be discussed with anyone.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 355:4-9.</p>
<p>266. From September 2005 to July 2006, Kumar spoke to Rajaratnam about the AMD/ATI deal approximately once a month.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 356:9-357:1; 362:11-15.</p>
<p>267. Kumar updated Rajaratnam about the potential timing for the deal.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 360:23-361:15.</p>

<p>268. Kumar told Rajaratnam when the deal became fifty percent certain.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 362:16-362:24.</p>
<p>269. Kumar told Rajaratnam that AMD was going to pay more than \$20 per share for ATI.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 366:19-367:1.</p>
<p>270. In May 2006, Kumar told Rajaratnam that AMD’s management was very keen to do the deal and had a lot of latitude as to how much AMD could pay for ATI.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 373:15-374:4.</p>
<p>271. The deal between ATI and AMD was publicly announced on July 24, 2006.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 384:24-386:6; Ex. UU [GX 801].</p>
<p>272. After the deal was announced, ATI’s stock price rose from roughly \$16 to just under \$20.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. U [GX 110]; Ex. A-6 at 386:7-387:6.</p>
<p>273. After the deal was announced, Kumar spoke to Rajaratnam, and Rajaratnam thanked him, saying “That was fantastic. We are all cheering you right now.”</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 387:7-16.</p>
<p>274. After Thanksgiving 2006, Rajaratnam told Kumar that he was going to give him \$1 million.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 387:17-388:3.</p>

<p>275. Kumar asked Rajaratnam to send the money to an account that Kumar maintained in an Indian bank, which Rajaratnam did.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 389:8-391:15; Ex. TT [GX 772].</p>
<p>276. Kumar believed that Rajaratnam paid him \$1 million because Kumar told him about the ATI deal.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 907:3-5.</p>
<p>277. In 2006, Adam Smith was a portfolio manager at Galleon.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 2443:15-23.</p>
<p>278. In 2006, Kamal Ahmed was an investment banker with Morgan Stanley covering semiconductor companies.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 1856:7-13, 2573:7-8.</p>
<p>279. In May 2006, Smith spoke with Ahmed, and Ahmed told Smith that there was a deal underway for AMD to purchase ATI.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 2573:9-2574:2.</p>
<p>280. Smith knew that Ahmed was a senior banker in the semiconductor area and that Ahmed was likely to have knowledge of the deal even if he was not directly involved in it.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 2574:9-18.</p>
<p>281. Smith knew that Ahmed was not authorized to tell Smith about the AMD/ATI deal.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 2576:7-10.</p>

<p>282. Smith had worked at Morgan Stanley and knew that Morgan Stanley’s code of conduct instructed employees not to communicate information like the information about the AMD/ATI deal outside the company, and that this information was material, non-public information because it related to an impending merger.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 2576:11-18.</p>
<p>283. After Smith spoke to Ahmed, Smith told Rajaratnam that Smith had met with Ahmed and heard about the ATI/AMD deal.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 2580:15-2581:5.</p>
<p>284. Rajaratnam purchased shares of ATI in March 2006.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3416:9-11; Ex. N [GX 20-R].</p>
<p>285. GX 20-R is a summary chart indicating Galleon Tech and Diversified daily closing positions in ATI technologies stock from January 1, 2006 through July 28, 2006.</p> <p>Rajaratnam Response: No dispute as to content of exhibit but content is immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3414:4-20; 5136:20-5137:14.</p>
<p>286. Rajaratnam took a position as large as 3.4 million shares in ATI in March 2006.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3416:12-16; Ex. QQQQ [GX 20].</p>
<p>287. In mid-May 2006, Rajaratnam held a position of just under 4 million shares of ATI.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3422:14-18; Ex. QQQQ [GX 20].</p>

<p>288. By the end of May 2006, Rajaratnam increased his position in ATI to 5 million shares.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3423:17-23; Ex. QQQQ [GX 20].</p>
<p>289. Shortly before July 24, 2006, Rajaratnam held a position of approximately 5.4 million shares of ATI.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 3424:25-3425:3; Ex. QQQQ [GX 20].</p>
<p>290. Overall, the Galleon funds realized illicit gains of \$22,938,866 in connection with the ATI trading described above.</p> <p>Rajaratnam Response: Disputes amount and calculation method, and asserts that correct method is set forth in Declaration of Gregg A. Jarrell, Ph.D.</p>	<p>Ex. A-6 at 3425:19-3426:11; Ex. O [GX 21].</p> <p>Opp. Ex. B.</p>
<p>291. GX 21 is a summary chart that reflects Galleon Tech and Diversified profit realized on securities of ATI held at the time of AMD's acquisition of ATI on July 24, 2006.</p> <p>Rajaratnam Response: No dispute as to content of exhibit but content is immaterial because of collateral estoppel.</p>	<p>Ex. O [GX 21]; Ex. A-6 at 3426:2-9.</p>
<p>292. GX 21 was verified by Agent Barnacle by reference to GX 150.</p> <p>Rajaratnam Response: Undisputed.</p>	<p>Ex. A-6 at 3374:7-16.</p>

<p>293. Rajartanam created false email trails containing alternative justifications for trading securities.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 2630-31, 2636-40.</p>
<p>294. In order to prevent detection, Rajaratnam instructed Smith and Chiesi to both buy and sell securities when in possession of inside information to create the false impression of not having inside information.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. A-6 at 2641-2646; Ex. II [GX 5940T-R at 2:8-39].</p>
<p>295. On June 7, 2007, Rajaratnam testified before the SEC under oath.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. RRRR</p>
<p>296. During that testimony, Rajaratnam was asked whether he had any reason to believe, that AMD was going to acquire ATI before the announcement.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. RRRR at 114.</p>
<p>297. Rajaratnam replied that he did not.</p> <p>Rajaratnam Response: Immaterial because of collateral estoppel.</p>	<p>Ex. RRRR at 114.</p>

**RAJ RAJARATNAM'S
COUNTERSTATEMENT OF UNDISPUTED MATERIAL FACTS**

UNDISPUTED MATERIAL FACTS	EVIDENTIARY SUPPORT
<p>1. On October 13, 2011, Judge Holwell sentenced Mr. Rajaratnam to 11 years in prison, ordered him to forfeit \$53,816,434 in profits in connection with insider trading in a number of stocks, including the ones at issue in this case and in the SEC's Motion, and imposed a criminal fine of \$10 million.</p>	<p>Opp. Ex. A, Ex. 1 at 28-29.</p>

2. The FIFO method used to calculate the SEC’s disgorgement number does not attempt to remove other market factors that affect the stock price and are unrelated to the release of the material information at issue for a particular stock.	Opp. Ex. B at ¶¶ 12-14.
3. Agent Barnacle “didn’t do an event study” and “didn’t perform any analysis” to exclude price movements not attributable to the inside information.	Opp. Ex. A, Ex. 13 at 3551.
4. Agent Barnacle treated “the entire increase in the stock price, upon the announcement of the news, as insider trading gain.”	Opp. Ex. A, Ex. 13 at 3551.
5. Professor Jarrell performed event studies for all the transactions at issue in the SEC’s Motion for Partial Summary Judgment.	Opp. Ex. B at ¶ 23.
6. Event studies use market modeling to determine what portion of a stock’s price change on a particular day was the result of the release of material information and what portion was the result of normal market factors.	Opp. Ex. B at ¶¶ 17-22.
7. Market modeling allows changes due to normal market factors to be removed, leaving only changes attributable to the release of the material information.	Opp. Ex. B at ¶¶ 17-22.
8. Event studies performed in this case result in total profit for the trading in Akamai, ATI, Clearwire, Intel (Q1 2007), and PeopleSupport of \$22,300,551.	Opp. Ex. B at ¶ 24.
9. Mr. Rajaratnam’s personal gains came from two sources: management fees and returns on personal investments in Galleon funds.	Opp. Ex. C at ¶ 6.
10. As a portfolio manager and a partner in Galleon Management, L.P., Mr. Rajaratnam was entitled to a portion of the fees Galleon investors paid for fund management.	Opp. Ex. C at ¶ 6.
11. Mr. Rajaratnam also had direct investments, as well as an indirect interest through his deferred compensation, in both the Diversified and Technology Funds.	Opp. Ex. C at ¶ 6.
12. Mr. Rajaratnam’s direct and indirect interests in Galleon entitled him to a pro rata portion of any profits those funds generated.	Opp. Ex. C at ¶ 6.
13. Mr. Rajaratnam’s share of Galleon Management’s management fees was 65% from 2005 to 2007, and 50% in 2008.	Opp. Ex. C at ¶¶ 11-12.

14. Mr. Rajaratnam realized a personal pre-tax gain from management fees attributable to the five stocks at issue equal to \$2,582,808.	Opp. Ex. C at ¶ 13.
15. The return on Mr. Rajaratnam's direct and indirect investments in the funds attributable to the stocks at issue during the relevant periods was \$2,142,342.	Opp. Ex. C at ¶ 17.
16. Mr. Rajaratnam's total personal gain from insider trading in the five stocks at issue was \$4,725,150.	Opp. Ex. C at ¶ 18.
17. The SEC's Director of Enforcement submitted a letter to Judge Holwell in advance of Mr. Rajaratnam's criminal sentencing.	Opp. Ex. A, Ex. 3.

Dated: October 17, 2011
New York, New York

Respectfully submitted by:

/s/ Terence J. Lynam

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