NEWS RELEASE

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United States Attorney Deborah Gilg, Assistant Attorney General Lanny A. Breuer of the Department of Justice Criminal Division, and the Federal Bureau of Investigation announce the following information for the attention of the media:

RESIDENT OF INDIA PLEADS GUILTY IN INTERNATIONAL ONLINE BROKERAGE "HACK, PUMP AND DUMP" SCHEME

A resident of India pleaded guilty today to conspiracy and aggravated identity theft charges arising from an international fraud scheme to "hack" into online brokerage accounts in the United States and use those accounts to manipulate stock prices.

Jaisankar Marimuthu, 35, a native of Chennai, India, pleaded guilty to one count of conspiracy to commit wire fraud, securities fraud, computer fraud and aggravated identity theft, and to one count of aggravated identity theft before U.S. District Magistrate Judge F.A. Gossett III. Marimuthu, who was extradited for trial following his arrest in Hong Kong, faces up to seven years in prison, a maximum fine of $500,000 and three years of supervised release following his prison term. Sentencing has been set for April 26, 2010 before the Honorable Laurie Smith Camp.

According to the indictment, Marimuthu was part of a conspiracy operated out of Thailand and India from February 2006 through December 2006 in which the prices of thinly-traded securities were fraudulently inflated by hacking into brokerage accounts in the United States and then illegally using the accounts to make large unauthorized purchases of securities in the name of unsuspecting customers. After the price of the securities had been artificially increased or "pumped up" through the bogus trading, Marimuthu admitted that the conspirators' own holdings of the securities would be sold at a profit. At least 95 customers and nine brokerage firms in the United States have been identified as victims.

Co-defendant Thirugnanam Ramanathan, 37, pleaded guilty on June 2, 2008, to one count of conspiracy to commit wire fraud, securities fraud, computer fraud and aggravated identity theft. Following his arrest in Hong Kong, Ramanathan was extradited on May 25, 2007, to the United States. He was sentenced to two years in prison by U.S. District Court Judge Laurie Smith Camp, and has since been returned to India upon completion of his sentence. Co-defendant Chockalingham Ramanathan, 36, remains charged on one count of conspiracy, eight counts of computer fraud, six

counts of wire fraud, two counts of securities fraud and six counts of aggravated identity theft. Chockalingham Ramanathan remains at large.

U.S. Attorney Gilg lauded, "Great investigative and prosecutorial teamwork resulted in disruption of this high tech scheme which melded age-old greed with tech savvy skills."

The case is being prosecuted by Trial Attorney Richard D. Green of the Computer Crime and Intellectual Property Section; Trial Attorneys Jack Patrick and Ryan Faulconer of the Fraud Section; and Assistant U.S. Attorney Michael Norris in the District of Nebraska. This case was investigated by the FBI in Omaha.

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