



# Department of Justice

United States Attorney Melinda Haag  
Northern District of California

FOR IMMEDIATE  
RELEASE  
September 19, 2011  
6599

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**FOURTH DEFENDANT CHARGED IN INSIDER TRADING SCHEME INVOLVING FORMER CITIGROUP  
INVESTMENT BANKER**

SAN FRANCISCO – A federal grand jury in San Francisco charged Bassam Yacoub Salman, 52, of Orland Park, Ill., with conspiracy and securities fraud relating to an insider trading scheme in which he made profits in excess of \$1.1 million, United States Attorney Melinda Haag announced.

The indictment, which was unsealed today, stems from the insider trading scheme first charged in 2009 against Maher Fayez Kara, of San Carlos, Calif., a former investment banker at Citigroup Global Markets Inc. in New York; Maher Kara's brother, Mounir Fayez Kara, also known as Michael F. Kara, of Walnut Creek, Calif.; and Emile Youssef Jilwan, of Pleasanton, Calif.

According to the indictment, Maher Kara misappropriated material, non-public information about confidential corporate acquisitions, financings and other transactions in New York, in violation of his fiduciary duty and duty of trust and confidence to Citigroup and its clients. He then tipped his brother, Mounir Kara, about the confidential transactions. Mounir Kara then tipped Salman, who is charged with trading on the material, non-public information in the securities four publicly-traded biotechnology companies from 2005 through 2007.

Citigroup was one of the victims of the charged criminal conduct and has cooperated in the investigation conducted by the United States Attorney's Office and the Federal Bureau of Investigation.

Salman was arrested by the FBI on Sept. 9, 2011, in Illinois and ordered to appear before Magistrate Judge Jacqueline Scott Corley in San Francisco today. After his court appearance, he was released on a \$250,000 unsecured bond and ordered to surrender his passports. The defendant's next court appearance is scheduled for Oct. 5, 2011.

The maximum statutory penalty for each count of securities fraud in violation of 15 U.S.C. § 78ff is 20 years and a fine of \$5 million, plus restitution if appropriate. However, any sentence following conviction would be imposed by the court after consideration of the U.S. Sentencing Guidelines and the federal statute governing the imposition of a sentence, 18 U.S.C. § 3553.

Assistant United States Attorney Adam A. Reeves is prosecuting the case with the assistance of Christine Tian and Rayneisha Booth. The prosecution is the result of a long-term investigation by the FBI. The United States Attorney's Office wishes to recognize the assistance of the Division of Enforcement of the SEC's San Francisco Regional Office.

*Please note, an indictment contains only allegations against an individual and, as with the defendants, Bassam Salman must be presumed innocent unless and until proven guilty.*

**Further Information:**

Case Numbers CR 11-0625 CRB and CR 09-0417 EMC

A copy of this press release may be found on the U.S. Attorney's Office's website at [www.usdoj.gov/usao/can](http://www.usdoj.gov/usao/can).

Electronic court filings and further procedural and docket information are available at <https://ecf.cand.uscourts.gov/cgi-bin/login.pl>.

Judges' calendars with schedules for upcoming court hearings can be viewed on the court's website at [www.cand.uscourts.gov](http://www.cand.uscourts.gov).

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