

UNITED STATES DISTRICT COURT FOR THE  
NORTHERN DISTRICT OF TEXAS  
DALLAS DIVISION

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<b>SECURITIES AND EXCHANGE COMMISSION,</b>	:	
	:	
<b>Plaintiff,</b>	:	<b>COMPLAINT</b>
	:	
v.	:	Civil Action No.
	:	
<b>REZA SALEH,</b>	:	
	:	
<b>Defendant,</b>	:	
	:	
and	:	
	:	
<b>AMIR SALEH,</b>	:	
	:	
<b>Relief Defendant.</b>	:	

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Plaintiff Securities and Exchange Commission alleges:

**NATURE OF THE ACTION**

1. This is an insider trading case involving defendant Reza Saleh’s (“Saleh”) extremely large and profitable purchases of call option contracts for the common stock of Perot Systems Corp. (“Perot Systems”) between September 4, 2009 and September 18, 2009.

2. Saleh is an employee of Parkcentral Capital Management, L.P. (“PCCM”). He also works for Hill Air Company I, LLC d/b/a Perot Investments, Inc. (“Perot Investments”), a private company that has common affiliates with PCCM and Perot Systems. Saleh has performed duties for Perot Systems. On or about September 4, 2009, in connection with his employment and duties at PCCM, Perot Investments and Perot Systems, Saleh learned material, nonpublic information about an impending agreement by Dell, Inc. (“Dell”) to acquire Perot Systems through a tender offer.

3. While in possession of the material, nonpublic information, Saleh made his call option purchases. On September 21, 2009, Perot Systems and Dell publicly announced their agreement, under which Dell has made a tender offer of \$30 per share to acquire Perot Systems for a total price of approximately \$3.9 billion.

4. After the merger announcement, Saleh sold all of the call options, resulting in net trading profits of approximately \$8,635,653.32.

### **JURISDICTION AND VENUE**

5. This Court has jurisdiction over this action pursuant to Sections 21(e), 21A and 27 of the Securities Exchange Act of 1934 (the "Exchange Act") [15 U.S.C. §§ 78u(e), 78u-1 and 78aa]. Venue lies in this Court pursuant to Section 27 of the Exchange Act. Certain of the acts, practices, transactions and courses of business alleged herein occurred within the Northern District of Texas, and Saleh resides in the Northern District of Texas.

6. Saleh has directly or indirectly, made use of the means or instrumentalities of interstate commerce, or of the mails, or the facilities of a national securities exchange in connection with the transactions, acts, practices and courses of business alleged herein.

7. Saleh will, unless restrained and enjoined, continue to engage in the acts, practices and courses of business alleged herein, or in transactions, acts, practices and courses of business of similar purport and object.

### **DEFENDANT**

8. Saleh, 53, is an individual residing in Richardson, Texas. He is currently employed by PCCM, which is located in Plano, Texas.

**RELIEF DEFENDANT**

9. Amir Saleh, 49 (“Relief Defendant”), is an individual residing in Richardson, Texas at the same address as Saleh. As described below, an account jointly held by the Saleh and the Relief Defendant holds a portion of Saleh’s illicit trading profits.

**FACTUAL ALLEGATIONS**

***The Tender Offer***

10. On September 21, 2009, Perot Systems announced a merger with Dell pursuant to which, through a tender offer, Dell would purchase all of Perot Systems’ common stock at \$30 per share for a total of approximately \$3.9 billion.

11. Following the announcement, Perot Systems’ stock price immediately increased. At the end of the trading day, it closed at \$29.56, up \$11.65 (approximately 65%) from the prior trading day’s close of \$17.91.

12. Prior to the announcement and prior to Saleh’s purchase of Perot Systems call options contracts, Perot Systems and Dell engaged in non-public negotiations pursuant to a confidentiality agreement. Starting on or before September 4, 2009, certain officers and employees of PCCM and Perot Investments were aware of the negotiations between Perot Systems and Dell. In particular, Perot System’s Chairman Emeritus, who is a director and major shareholder of Perot Systems, is also an officer of Perot Investments. In addition, another Perot Systems director (the “PS Director”) is an officer of both Perot Investments and PCCM. Finally, Perot Investments manages the Chairman Emeritus’s personal financial affairs and advised him on the transaction.

*Defendant's Purchases and Sales of Call Options*

13. Saleh is a long-time employee of various Perot-related entities. Although Saleh is currently employed by PCCM, he also works at Perot Investments and has sometimes performed duties for Perot Systems, including periodically attending Perot Systems planning meetings. He has two work e-mail accounts, one of which is a Perot Systems e-mail account. He has friends and access to information at all three companies, which are located at the same address in Plano, Texas and share certain common areas.

14. Between September 4, 2009 and September 18, 2009, Saleh purchased at least 9,332 Perot Systems call option contracts, expiring in October 2009 and January 2010, through two accounts at TD Ameritrade, Inc. ("TDA"). One of these accounts, Account No \*\*\*-\*\*1372, is held in Saleh's name, while the other account, Account No. \*\*\*-\*\*6596, is held jointly by Saleh and the Relief Defendant. According to TDA, Saleh had not acquired call options prior to acquiring the PS call options.

15. Following the September 21, 2009, announcement, Saleh sold all of the call option contracts in the accounts, generating trading profits of \$6,360,725.60 in Account No. \*\*\*-\*\*1372, and \$2,274,927.72 in Account No. \*\*\*-\*\*6596. Collectively, the profits are \$8,635,563.32. On the same day, Saleh withdrew \$5,000 from one of the accounts, and attempted to withdraw a further \$55,000. He was prevented from withdrawing the \$55,000 because, following inquiries from Commission staff on the morning of September 21, 2009, TDA temporarily froze the accounts.

16. Saleh traded in Perot Systems call options while in possession of material, non-public information that he learned in the course of his employment by and/or duties for PCCM, Perot Investments and Perot Systems. Although Saleh was not part of the tender offer deal team,

on or before September 8, 2009, Saleh asked questions of the PS Director that demonstrated Saleh's awareness of material, nonpublic information about a pending transaction pursuant to which Perot Investments would be acquired at a "premium." The conversations with the PS director confirmed for Saleh that the transaction was going forward.

*The Investigation*

17. After being contacted by Commission staff on the afternoon of September 21, 2009, Saleh made additional statements to the PS director and another employee of Perot Investments in which Saleh acknowledged that his purchases of Perot Systems call options were based on his knowledge of the impending transaction.

18. Saleh's trading violated PCCM/Perot Investments trading policy that prohibits all employees, including Saleh, from trading in any public company securities, including Perot Systems stock and call options, while in possession of material, non-public information.

19. Saleh's trading violated PCCM/Perot Investments trading policy that requires all employees, including Saleh, to provide pre-notification to the PS Director or Perot Investments' compliance officer before trading in any public company securities, including Perot Systems stock and call options. Saleh did not give pre-notification for his trades in Perot Systems options. Had Saleh done so, the PS Director would have told Saleh that he was prohibited from conducting transaction in Perot System securities.

20. Saleh's sale of the Perot Systems call options violated the PCCM/Perot Investments trading policy that requires that employees hold open positions in securities for at least 30 days, unless closing the position will result in a loss.

21. Saleh violated PCCM/Perot Investments trading policy by failing to disclose to PCCM and Perot Investments that he had brokerage accounts at TDA.

22. On or about September 23, 2009, PCCM placed Saleh on administrative leave.

**CLAIM FOR RELIEF AGAINST SALEH**

**FIRST CLAIM**

**Violations of Exchange Act Sections 10(b) and  
Rules 10b-5 Promulgated Thereunder**

23. Paragraphs 1 through 22 are realleged and incorporated by reference.

24. At the time Saleh purchased the call option contracts in Perot Systems as set forth above, he was in possession of material, nonpublic information about the impending merger. Saleh knew, or had reason to know, or recklessly disregarded the fact that (a) his trading was in breach of fiduciary duties or similar duties of trust and confidence owed to the shareholders of Perot Systems or to the source from whom they received the material nonpublic information; or (b) material nonpublic information about the acquisition had been communicated to Saleh in breach of a fiduciary or similar duty of trust and confidence.

25. By reason of the foregoing, Saleh, directly and indirectly, violated Section 10(b) of the Exchange Act [15 U.S.C Sec 78j(b)] and Rule 10b-5 [17 C.F.R Sec 240.10b-5], and is likely to commit such violations in the future unless enjoined from doing so.

**SECOND CLAIM**

**Violation of Exchange Act Section 14(e) and  
Rule 14e-3 Promulgated Thereunder**

26. Paragraphs 1 through 22 are realleged and incorporated by reference.

27. After Dell had taken substantial steps to commence a tender offer of Perot Systems' stock, Saleh purchased call options to buy Perot Systems' stock. Saleh did so while in possession of material information relating to the tender offer that (1) he knew or had reason to know was nonpublic and that (2) he knew or had reason to know had been acquired directly or

indirectly from the issuer of the securities sought by such tender, namely Perot Systems, or one of its officers, directors, or employees.

28. By reason of the foregoing, Saleh, directly or indirectly, violated Section 14(e) of the Exchange Act [15 U.S.C Sec 78n(e)] and Rule 14e-3 thereunder [17 C.F.R Sec 240.14e-3], and is likely to commit such violations in the future unless enjoined from doing so.

#### **CLAIM AGAINST RELIEF DEFENDANT**

29. Paragraphs 1 through 22 are realleged and incorporated by reference.

30. Relief Defendant received, directly or indirectly, funds and/or other benefits from Saleh, which either are the proceeds of, or are traceable to the proceeds of, the unlawful activities alleged herein and to which he has no legitimate claim.

31. Relief Defendant obtained the funds and property as part of and in furtherance of the securities violations alleged and under circumstances in which it is not just, equitable or conscionable for him to retain the funds and property, and accordingly, he has been unjustly enriched.

#### **RELIEF SOUGHT**

The Commission respectfully requests that this Court enter a judgment:

##### **I.**

Permanently restraining and enjoining Saleh, his agents, servants, employees, attorneys in-fact, and all persons in active concert or participation with him who receive actual notice of the injunction by personal service or otherwise, and each of them, from violating Sections 10(b) and 14(e) of the Exchange Act, and Rules 10b-5 and 14e-3 thereunder.

**II.**

Ordering Saleh and Relief Defendant to disgorge all profits realized from the unlawful trading alleged herein, with prejudgment interest.

**III.**

Ordering Saleh to pay civil monetary penalties pursuant to Section 21A of the Exchange Act [15 U.S.C. § 78u-1].

**IV.**

Granting such other relief as this Court may deem just and appropriate.

September 23, 2009

Respectfully submitted,



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