

**UNITED STATES DISTRICT COURT
DISTRICT OF COLUMBIA**

SECURITIES AND EXCHANGE COMMISSION
100 F Street, N.E.
Washington, DC 20549,

Plaintiff,

v.

DANIEL FONGNIEN CHIANG and
EVA YI-FEN CHEN,

Defendants.

Civil Action No.

COMPLAINT

Plaintiff, the United States Securities and Exchange Commission (“Commission”) alleges for its Complaint as follows:

SUMMARY

1. This is an insider trading case. In 2005, Defendant Daniel Chiang (“Chiang”), then a chairman of SINA Corporation (“SINA”), aided and abetted by his spouse, Defendant Eva Chen (“Chen”), directed the short sale of 70,000 SINA shares after learning that SINA would announce a decline in its revenues. At the time of the short sale, news of the revenue decline was both material and non-public. Chiang owed a duty of trust and confidence to SINA which required him to maintain the information as confidential and not use it to buy or sell SINA securities until it was announced to the public. The short sales, which Chiang directed through an account controlled by his spouse with her knowledge and consent, breached his duty of trust and confidence to SINA and violated federal securities law. As a result of their conduct, the defendants realized \$257,833 in unlawful trading profits.
2. By engaging in the conduct described above, Chiang violated Section 10(b) of the Securities Exchange Act of 1934 (“Exchange Act”) [15 U.S.C. § 78j(b)] and Rule 10b-5 [17 C.F.R. §

240.10b-5] promulgated thereunder, and Chen aided and abetted Chiang's violations, and unless enjoined, they will continue to engage in transactions, acts, practices, and courses of business similar to those alleged in this complaint.

3. With respect to Chiang, the Commission seeks an injunction against future violations of Section 10(b) and Rule 10b-5 thereunder, disgorgement of ill-gotten gains, prejudgment interest thereon, a statutory civil monetary penalty, and a bar for a period of five years from serving as an officer or director of a public company.

4. With respect to Chen, the Commission seeks an injunction against future violations of Section 10(b) and Rule 10b-5 thereunder, and a statutory civil monetary penalty.

JURISDICTION AND VENUE

5. This Court has jurisdiction over this action, pursuant to authority conferred by Sections 21(d), 21(e) and 27 of the Exchange Act [15 U.S.C. §§ 78u(d), 77u(e) and 78aa].

6. Venue lies in this district pursuant to Section 27 of the Exchange Act [15 U.S.C. §78aa]. Certain of the transactions, acts, practices, and courses of business constituting the violations alleged herein occurred within the District of Columbia.

THE DEFENDANTS

7. Defendant Daniel Fongnien Chiang, age 49, is a citizen of Taiwan and the husband of Eva Yi-Fen Chen. During the relevant period, Chiang was the co-chairman of SINA Corporation's Board of Directors.

8. Defendant Eva Yi-Fen Chen, age 47, is a Taiwanese citizen and Legal Permanent Resident of the U.S., who lives in Pasadena, California. Chen is the CEO of Trend Micro Incorporated, and is the wife of Chiang.

