

# Appeals court orders new trial in Brocade case

August 18 2009

---



FILE - In this July 26, 2007 file photo, former Brocade Communications Systems Inc. Chief Executive Gregory Reyes leaves the federal building in San Francisco. A federal appeals court on Tuesday, Aug. 18, 2009 tossed out the criminal conviction of Reyes, the first Silicon Valley executive to go to trial in a stock options scandal that triggered charges against at least a dozen executives. (AP Photo/Paul Sakuma, file)

(AP) -- A federal appeals court has tossed out the criminal conviction of the first Silicon Valley executive to go to trial in a stock options scandal that triggered charges against at least a dozen executives.

The 9th U.S. Circuit Court of Appeals ordered a new trial Tuesday for Gregory Reyes, former chief executive of Brocade Communications

Systems Inc., citing prosecutor misconduct. The court says a prosecutor lied when he told the jury that Brocade's finance department was unaware that Reyes was doling out backdated stock options to company employees.

The jury went on to convict Reyes of all 10 felony counts, including fraud, falsified accounting, conspiracy and filing false financial statements.

A judge last year sentenced him to one year and nine months in prison and fined him \$15 million.

*©2009 The Associated Press. All rights reserved. This material may not be published, broadcast, rewritten or redistributed.*

Citation: Appeals court orders new trial in Brocade case (2009, August 18) retrieved 17 April 2024 from <https://phys.org/news/2009-08-appeals-court-trial-brocade-case.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--