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## What's News

### Business & Finance

- ◆ **A job-hopping lawyer** charged with securities fraud accessed files and recruited lawyers at elite firms to tip traders about pending deals, prosecutors said. **A1**
- ◆ **Microsoft Chief Executive** Satya Nadella took the courtroom stand to testify about OpenAI's temporary ouster of Sam Altman in a case pitting the tech giant and the startup against Elon Musk. **B1**
- ◆ **Major U.S. stock indexes** rose, with the S&P 500 and Nasdaq setting records with advances of 0.2% and 0.1%, respectively, while the Dow industrials gained 0.2%. **B11**
- ◆ **Cerebras said it would** offer 30 million shares in its planned IPO at a price of \$150 to \$160 a share, up from an initial target of 28 million shares at \$115 to \$125 a share. **B4**
- ◆ **Apollo struck deals** for two live-events businesses, Emerald and Questex, aiming to create a platform for in-person gatherings. **B3**
- ◆ **KKR's largest** private-credit fund held by individual investors took a \$560 million loss in the first quarter, when more defaults appeared in it. **B3**
- ◆ **Shares of Vodacom** rose after the telecommunications company raised its final dividend for fiscal 2026 and reported higher earnings. **B3**
- ◆ **Dream Finders Homes** made public a bid to acquire Beazer Homes for about \$704 million, appealing directly to shareholders. **B3**
- ◆ **Sony agreed to acquire** the full catalog of Recognition Music, a collection of more than 45,000 songs by artists ranging from Rihanna to Fleetwood Mac. **B3**

### Worldwide

- ◆ **The U.S. and Iran** are locked in a diplomatic stalemate over issues that have bedeviled the two sides for years, as the conflict between them settles into a zone that is neither war nor peace. **A1, A5**
- ◆ **Trump said he supports** suspending the federal gasoline tax in response to a surge in fuel prices driven by the war. **A2**
- ◆ **Trump privately** complained to acting Attorney General Todd Blanche about media leaks in the wake of the Iran war, spurring Justice Department probes. **A4**
- ◆ **U.S. authorities** said they repatriated 18 American passengers from the cruise ship struck by a hantavirus outbreak, transporting them to a quarantine center. **A3**
- ◆ **ABC is a victim** of a "campaign of censorship and control" by the Trump administration, FCC Commissioner Anna Gomez told Disney. **A4**
- ◆ **The Trump administration** said it would delay a plan to address high beef prices that would have suspended tariffs on imported beef. **A2**
- ◆ **The new battleship** named after Trump will be nuclear-powered, the Navy said, a move expected to increase the cost and complexity of the project. **A3**
- ◆ **Ukraine's anticorruption** authorities said a former top adviser to President Zelensky is a suspect in a sprawling kickbacks investigation. **A6**
- ◆ **U.K. Prime Minister** Keir Starmer is moving his Labour Party to the left in an attempt to save his premiership, announcing the nationalization of British Steel. **A5**

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## Microsoft CEO Testifies in Musk v. Altman



**TECH SHOWDOWN:** Microsoft's Satya Nadella, left, arrived Monday at federal court in Oakland, Calif., to take the witness stand in Elon Musk's lawsuit against OpenAI. Nadella testified about the AI company's temporary firing of Sam Altman in 2023. **B1**

## U.S., Iran Locked in Gray Zone Between War, Peace

Cease-fire is on 'life support,' Trump says, but neither side looks eager to fight for now

By LAURENCE NORMAN AND ROBBIE GRAMER

The U.S. and Iran are locked in a diplomatic stalemate over issues that have bedeviled the two sides for years, as the conflict settles into a gray zone that is neither war nor peace. The cease-fire is entering its second month and, despite sporadic violence, has lasted almost as long as the fighting that preceded it. There is little to indicate that the U.S. or Iran is ready to compromise, but neither wants to resume fighting. President Trump warned on Monday that the cease-fire with Iran is "on massive life support" after he rejected Iran's response to a proposal for ending the war, calling it "a piece of garbage." He said he wouldn't back off his goal of pressing Iran to abandon its nuclear program. Trump said Iran believed he would get tired or bored of the conflict, or feel pressure to end it because of rising energy prices. "But there's no pressure," Trump said. "We're going to have a complete victory." Iran, meanwhile, continues to portray itself as the winner of the conflict, its regime intact, its missile and nuclear programs still a threat. A top Iranian official on Monday warned the U.S. against escalation. *Please turn to page A5*

## An Insider-Trading Scandal Rocks Elite M&A Law Firms

Job-hopping lawyer accessed files to tip off pending deals, prosecutors say

By DAVE MICHAELS

Someone kept making winning trades just before big acquisitions that were being handled by the same Boston law firm. Authorities initially thought it was another case of foreign hackers stealing valuable information from a U.S. law firm. But hackers weren't swiping secrets. Investigators discovered it was an inside job.

After closely analyzing the deals and other information, FBI agents traced the well-timed tips back to a single lawyer: Nicolo Nourafchan, who worked at the Boston-based firm, Goodwin Procter. Nourafchan had a lucrative side hustle providing traders around the world with illicit tips about coming buyouts over a decade, federal prosecutors said. He also recruited M&A lawyers at other elite firms, Wachtell Lipton and Weil Gotshal, to dish on their deals, prosecutors said. The case marks one of the most brazen insider-trading

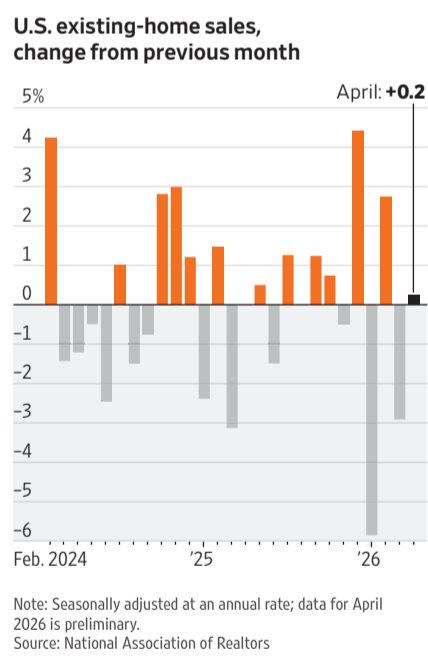
schemes in years, ensnaring several of Wall Street's biggest M&A advisory firms and multi-billion-dollar deals that they worked on for clients including Amazon.com, Johnson & Johnson and Burger King. The participants celebrated their windfalls—ranging from \$2,000 to \$3 million—by exchanging memes of "making it rain" dollar bills, the court filings show. Nourafchan, 43 years old, was arrested last week and charged with securities fraud. The case involves 29 other defendants, including his brother and college friends. Prosecutors said the Yale Law School graduate provided tips about

more than a dozen undisclosed mergers and acquisitions. Nourafchan hasn't entered a plea and didn't return messages seeking comment. His lawyer declined to comment. Nine defendants earlier pleaded guilty and are cooperating with prosecutors. Nourafchan was a midlevel deal lawyer who got his start at Sidley Austin and spent a few years at Latham & Watkins before he was let go in 2021. Goodwin terminated him in August 2023 after he hadn't worked on a billable matter for months. His main reason for showing up was to see the judge. *Please turn to page A8*

- ◆ **California's energy crunch** worsens as flows halt.... **A2**
- ◆ **U.A.E. secretly carries out** attacks on Iran..... **A5**
- ◆ **War crimps market for** widely used chemical..... **B1**

## Home Sales Extend Slump

Home sales were flat in April, rising 0.2% over the previous month to a seasonally adjusted annual rate of 4.02 million. That slight gain marked a reversal from March, when home sales dropped a revised 2.9%. But April numbers were below expectations of a 3% increase. **A2**



## Jobs at OpenAI Turned Into Huge Jackpots for Employees

By BERBER JIN

OpenAI allowed employees to sell up to \$30 million worth of shares each in a recent financing, making them some of the earliest financial winners of the artificial-intelligence boom. Last October, more than 600 current and former employees sold their shares in a single stroke, collectively making \$6.6 billion. For about 75 of them, that meant walking away with the full \$30 million, according to people familiar with the matter.

Some of them chose to give away the rest, putting their remaining shares in donor-advised funds—charitable investment accounts that commit money for philanthropic causes while also allowing donors to claim tax deductions for that year. The sale offers a sneak peek into the flood of money that will soon hit San Francisco and other tech capitals. OpenAI and Anthropic are gearing up for what will likely be some of the largest IPOs in history, allowing their thousands of rank-and-file work-

ers to unload their stock, turning many of them into multimillionaires. OpenAI required employees to wait two years before they could sell their shares, meaning that the share sale marked the first time many who joined the company after ChatGPT launched were able to cash out. No other tech boom in history has lavished that magnitude of wealth on such a swath of employees even before a public listing. Hundreds of companies went public in the dot-com boom, but in most cases, the IPOs were small. *Please turn to page A4*

## Repo Men Come for Spirit's Jets

Airline's collapse kicked off strange recovery mission

By ALISON SIDER

The first call came to Bob Allen's phone at 6 p.m. ET on a Friday. The message: Get the repo men ready. Spirit Airlines was still in operation and planes were in the air. But the aircraft leasing firms that own dozens of its bright yellow jets were getting anxious as Spirit barreled toward liquidation. They wanted their planes back. "I had six hours to find 20 pilots," Allen said. Nomadic Aviation Group, his company, had been standing by for months as Spirit teetered closer to the brink. *Please turn to page A11*

## Florida Is the Future Of Elite Teen Sports

High-school transfers have surged in era of big college paydays for athletes

By HARRIET RYAN

Ah'Mari Stevens, a 16-year-old football player from South Florida, boarded a helicopter with a videographer one day last spring. As the chopper circled Miami, the cameraman explained the purpose of the shoot: "Everybody and their mama wants to know where he's going to play ball next year." Ah'Mari, a whip-fast sophomore wide receiver with two state championships under his belt, peered out the window as various high-school campuses passed below. He listed their attributes—NFL alums, college stars, state titles—and then pointed out Edison High, an inner-city

public school whose coach at the time boasted of negotiating multimillion-dollar deals, where he planned to enroll. "Sometimes a man gotta create their own path," he said in the video, made by social-media company Footballville. Edison would be Ah'Mari's third high school, but not his last. After a few games, he switched to a rival Catholic powerhouse known for star receivers. Suiting up for four different high schools would be impossible in most of the country, thanks to state interscholastic rules that can require transfer students to sit out a year of competition. Florida is different. School transfers are common. *Please turn to page A9*

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