



*United States Attorney
Southern District of New York*

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MANHATTAN MAN FACES FEDERAL INSIDER TRADING CHARGES

MICHAEL J. GARCIA, the United States Attorney for the Southern District of New York, announced that LEE EDELMAN of Manhattan was indicted today in Manhattan federal court for trading on inside information in advance of the August 2004 purchase by Applied Materials, Inc. ("AMI") of the assets of Metron Technology N.V. ("Metron"). EDELMAN, who is charged with securities fraud, is alleged to have gained more than \$20,000 in illegal profits by selling Metron stock that he had purchased based on non-public information.

According to the five-count Indictment, AMI entered into negotiations to purchase Metron in the spring of 2004. AMI retained a large New York law firm (the "Law Firm") to represent it in its negotiations with Metron. In late June 2004, the Law Firm assigned one of its attorneys (the "Attorney") to work on the deal. EDELMAN at the time was involved in a romantic relationship with the Attorney, and in the context of that relationship, EDELMAN learned from the Attorney that AMI was planning to acquire Metron.

According to the Indictment, despite knowing this information was material non-public information, and despite at one point specifically promising the Attorney that he would not use the information, EDELMAN purchased thousands of shares of Metron in July and early August 2004.

On August 16, 2004, when AMI's acquisition of Metron was announced to the public, Metron's stock price almost doubled. The Indictment charges that EDELMAN then sold his shares, reaping approximately \$22,786 in illegal profits.

The Indictment charges EDELMAN with five counts of securities fraud. EDELMAN faces a maximum sentence on each count of 20 years in prison and a fine of \$5 million or twice the gross gain or gross loss from the offense.

EDELMAN, 34, lives in New York, New York.

Mr. GARCIA thanked the United States Securities and Exchange Commission for its assistance in the investigation of this matter.

Mr. GARCIA said that the investigation is continuing.

Assistant United States Attorney DAVID SIEGAL is in charge of the prosecution.

The charges contained in the indictment are merely accusations, and the defendant is presumed innocent unless and until proven guilty.

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