



*United States Attorney
Southern District of New York*

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FIVE CHARGED WITH INSIDER TRADING

LEV L. DASSIN, the Acting United States Attorney for the Southern District of New York, and MARK J. MERSHON, the Assistant Director-in-Charge of the Federal Bureau of Investigation's New York Field Division ("FBI"), announced today charges against five individuals for insider trading. JAMIL A. BOUCHAREB, 27, and DANIEL A. CORBIN, 32, of Miami Beach, Florida; and FREDERICK E. BOWERS, 40, and ERIC A. HOLZER, 34, of New York, New York, were arrested today on criminal Complaints charging them with conspiracy and securities fraud. The fifth individual, MATTHEW C. DEVLIN, 35, of New York, New York, previously entered a plea of guilty on December 16, 2008, before United States District Judge BARBARA S. JONES, to an Information charging him with four counts of conspiracy to commit insider trading and one count of securities fraud.

According to the Information to which he pleaded guilty and statements made at that time, DEVLIN was an employee at a multinational investment bank and broker-dealer in New York, New York. DEVLIN's wife worked on mergers and acquisitions of publicly-traded companies at an international communications firm in New York. As a result of her position, DEVLIN's wife obtained material non-public information about a number of mergers and acquisitions before they were publicly announced. From approximately 2004 through August 2008, DEVLIN obtained the inside information from his spouse and shared different portions of it with different sets of individuals who traded on it, for substantial profit, and who compensated DEVLIN for the tips with thousands of dollars in payment and other benefits.

As alleged in the criminal Complaint in which BOUCHAREB and CORBIN were charged: BOUCHAREB and CORBIN were day traders who obtained material non-public information from their broker, who had obtained it from his wife from her employment at an international communications firm in New York. (The broker and his wife are not specifically identified in the Complaint.) BOUCHAREB and CORBIN knew the source of the information, and referred to her as "the Golden Goose." BOUCHAREB and CORBIN used that inside information to trade in the securities of a number of companies, reaping substantial profits, and gave their broker money and other benefits in return for the information he was providing them. Specifically, from approximately February 2005 through August 2008, BOUCHAREB and CORBIN traded on inside information regarding mergers and acquisitions of the following 11 publicly-traded companies: Eon Labs; Abgenix Inc.; Aztar Corporation; Veritas DGC Inc.; Mercantile Bankshares Corporation; Alcan, Inc.; Ventana Medical Systems, Inc.; Pharmion Corporation; Take-Two Interactive Software Inc.; Rohm and Haas; and Anheuser-Busch.

As alleged in the criminal Complaint in which HOLZER was charged: HOLZER was an associate at a law firm in New York, New York. HOLZER obtained material non-public information regarding corporate acquisitions from an individual who obtained that information from his wife, who was employed at an international communications firm in New York. (The individual and his wife are not specifically identified in the Complaint.) Specifically, from approximately March 2004 through December 2005, HOLZER traded based on material, nonpublic information regarding mergers and acquisitions of Invision Technologies, Inc., Eon Labs, and Abgenix, reaping over \$175,000 in profits, a portion of which he shared with the individual who provided him the tips.

As alleged in the criminal Complaint in which BOWERS was charged: BOWERS was a partner of an individual whose wife, employed at an international communications firm in New York, New York had access to material non-public information regarding corporate acquisitions. (The partner and his wife are not specifically identified in the Complaint.) BOWERS, who was aware of the source of the inside information, and his partner, provided certain of that information to one of BOWERS' clients, who agreed to trade on that information. Thus, from approximately December 2005 through December 2007, BOWERS and his partner tipped BOWERS' client about the acquisitions of Aztar and Mercantile Bankshares. The client traded in the securities of the target companies, reaping a profit, a portion of which he shared with BOWERS and his partner.

BOUCHAREB and CORBIN were arrested in Florida and BOWERS and HOLZER were arrested in New York. Each has been released on bond.

BOUCHAREB and CORBIN are each charged with one count of conspiracy to commit securities fraud and seven counts of securities fraud. BOWERS is charged with one count of conspiracy and two counts of securities fraud. HOLZER is charged with one count of conspiracy and three counts of securities fraud. The conspiracy charges carry a maximum sentence of 5 years in prison and a maximum fine of the greater of \$250,000, or twice the gross gain or gross loss from the offense. Each securities fraud count carries a maximum sentence of 20 years in prison and a maximum fine of \$5 million.

Mr. DASSIN praised the work of the FBI and the Securities and Exchange Commission in the investigation of this case. Mr. DASSIN also thanked Lehman Brothers Inc. and Barclays, Inc. for their cooperation and assistance. He added that the investigation is continuing.

Assistant United States Attorneys JOAN M. LOUGHNANE, REED M. BRODSKY and SHARON FRASE are in charge of the prosecution.

The charges contained in the Complaints are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

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