

## David Siegal of in New York Observer: Insider Trading Scandals: The Fun Has Just Begun

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**NEW YORK** - [David Siegal](#) of the Haynes Boone New York office, a former federal prosecutor, [tells the New York Observer](#) that the most recent arrests in the widening hedge fund insider trading scandal prompt experts to wonder where the investigation goes from here.

"The industry and the legal-defense community are obviously waiting with great interest to see how far the government is going to take its logic," said Mr. Siegal, a former assistant U.S. attorney who is now a white-collar defense lawyer at Haynes Boone. He pointed out that it was one thing to prosecute some individuals who were actively destroying evidence of potential wrongdoing to thwart an investigation, but another to criminalize a certain kind of information-gathering without issuing more clear regulations about it first.

"How far into the gray area is the government going to go with the criminal prosecutions?" he asked. "Are you going to put those people in jail, literally put people in jail, for a misunderstanding about what was material information at the time?"