David Siegal in USA Today: Supreme Court Seeks to Clarify Insider Trading

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The Supreme Court strongly indicated Wednesday that it would define insider trading broadly enough to include tips passed between relatives and friends, even when the corporate employee receives no concrete benefit.

Seeking to clarify a murky area of securities law following a federal appeals court's more narrow ruling in 2014 that made New York City prosecutions more difficult, the justices appeared satisfied that trading on stock tips received as gifts also violates the law...

Wall Street has been watching the case carefully for a sign of where the high court stands. The justices have not heard an insider trading case in nearly two decades.

"It provides the Supreme Court with the opportunity to effectively create law," said David Siegal, a former assistant federal prosecutor in the Southern District of New York, where most insider trading cases arise. "It's a political issue, and it's one that the whole white collar bar is waiting on."

Excerpted from *USA Today*. To read the full article, please click here.