Bloomberg BNA

Securities Regulation & Law Report™

INSIDER TRADING

Strange Bedfellows: Insider Trading and Political Intelligence



BY JOHN A. NATHANSON, CHRISTOPHER L. LAVIGNE, AND JASON M. SWERGOLD

The Nervous Dairy Farmer

Imagine the following: The owner of an organic dairy farm is concerned. Every day, the news is filled with reports that a bill to cut crucial funding for dairy farms is in the works. The dairy farmer calls up his Congressman, a member of the House Committee on Agriculture, anxious and eager to learn anything to help put his mind at ease. The Congressman is unavailable, but his aide tells the dairy farmer not to worry, the Congressman will make sure the bill does not make it out of the Committee. Relieved, and feeling a bit greedy, the dairy farmer calls his brother, a hedge fund manager, and asks him whether they can somehow make money on the information he just learned. The next day the brother's fund purchases 100,000 shares of OrgDairy Inc., the nation's largest publicly-traded organic milk producer. Two days later, it is publicly announced that the bill died in Committee. OrgDairy's stock price climbs 10 percent on the news and the brother's fund makes millions.

Has a crime been committed? By whom?

While the above hypothetical reads like a law school exam, it highlights some of the practical difficulties in prosecuting cases based on so-called ''political intelligence.'' This term – used to refer to (i) information about government actions and legislation that could impact an industry or business, or (ii) information about companies learned by government officials through their official responsibilities – has taken center stage in recent months. In April 2013, Senator Chuck Grassley of Iowa launched an investigation relating to Height Securities LLC, an investment-research firm, regarding information it obtained and disseminated about a health insurance funding decision by the federal government. The Federal Bureau of Investigation and the Securities and Exchange Commission reportedly have followed suit.

But is trading on political intelligence really insider trading? The answer is complicated for a couple of reasons. First, insider trading laws do not explicitly pro-

John A. Nathanson, a former federal prosecutor with the U.S. Attorney's Office for the Eastern District of New York and member of the Office's Business and Securities Fraud Unit and a former state prosecutor, is partner with Shearman & Sterling LLP. Christopher L. LaVigne, a former federal prosecutor with the U.S. Attorney's Office for the Southern District of New York and member of the Office's Securities and Commodities Fraud Task Force, is counsel with the firm. Jason M. Swergold, a former state prosecutor, is an associate at the firm. The views are those of the authors only, and not of Shearman & Sterling LLP.

 ISSN 0037-0665

hibit trading on all information obtained from government sources. Nor could they, given our transparent, democratic system of government. Second, the elements of insider trading – shaped by cases involving corporate insiders and their companies' confidential, business information – do not fit neatly with typical political intelligence fact patterns.

'Political Intelligence' and Insider Trading Theories

Courts have developed two theories of insider trading. In its most basic form, under the ''classical'' theory of insider trading, the securities laws are violated where a corporate *insider* discloses (or trades) on inside information in breach of his fiduciary duty to shareholders of the company.[1] The ''misappropriation'' theory, by contrast, targets information improperly used or disseminated by *outsiders* who disclose or trade on material non-public information in breach of a duty of confidentiality to the source of information, usually but not always their employer, who lawfully provided it to them.[2] In other words, merely trading on inside information is not *per se* illegal; to be liable, the inside information must have been provided in breach of a duty of trust or confidence and in exchange for a benefit to the source of the information.

While considered distinct, the classical and misappropriation theories have substantial similarities. Key among those are the following elements: (1) the information was non-public; (2) the information was material; (3) the information was provided in breach of a duty of trust or confidence, *i.e.* it was provided in exchange for a personal benefit;[3] and (4) the recipient knew the information was provided in breach of a duty.

Courts have not had frequent occasion to apply these elements to cases involving government or legislative actions. Indeed, until recently, serious ambiguity existed as to whether elected officials or their staff could even be prosecuted for trading on material non-public information (''MNPI'') they learned through the course of their jobs. Unlike the classic example of a company insider who owes a duty to his company's shareholders, members of Congress and their staffs owe no direct fiduciary duty to companies about which they learn information through their professional interactions and the scope of their duty of confidence to Congress itself has not been clearly delineated. In response to these ambiguities, in April 2012 Congress passed the Stop Trading on Congressional Knowledge Act (the ''STOCK Act''), in which it sought to ''affirm a duty of trust and confidence owed by each member of Congress and each employee of Congress.''[4] This affirmation ''ensures that Members and staff are subject to the same liabilities and remedies as any other person who violates the securities laws.''[5] Accordingly, the Act amended 15 U.S.C. § 78u-1 (''Civil Penalties for Insider Trading'') to include the following provision:

> Each member of Congress or employee of Congress owes a duty arising from a relationship of trust and confidence to the Congress, the US Government, and the citizens of the US with respect to [MNPI] derived from such person's position . . . or gained from the performance of such person's official responsibilities.[6]

This provision of the STOCK Act only goes so far, however: on one hand, the legislative history makes clear that Congress was concerned with situations in which its members and staff learned of MNPI through their jobs and traded on that information, and the STOCK Act affirms that they do indeed owe duties of trust and confidence (thus doing through legislation what has traditionally been left to the courts); on the other hand the STOCK Act does not address exactly what information Congresspeople and their staffs must treat as confidential or when they must do so.

This disconnect may be explained by the delicate balancing act Congress undertook in passing this legislation. While Congress wanted to confirm that its members were subject to insider trading laws, it needed to ''legislat[e] in a way that does not undermine the interactions of Members and the general public.''[7] In highlighting this conflict, the Senate Committee on Homeland Security and Governmental Affairs identified a fundamental difference between members of Congress and corporate insiders:

> Every day, Members and their staff exchange information and views with constituents and numerous other individuals, including representatives of companies, associates, non-profit organizations, and the media. These interactions are vital to the democratic process. Exchanges of information between Congress and the American public allow Members to explain actions that Congress is taking, or is considering. And these exchanges allow the American people to share with Members their views on how actions of the government may help, or hurt, them. In this respect, the role of a Member of Congress is very different from the role of a corporate insider.[8]

This inherent difference between corporate insiders and politicians is but one factor that makes application of insider trading laws to political intelligence fact patterns so difficult. Compounding this is that the Senate Committee from which the STOCK Act emanated ''ha[d] very limited information before it about the scope of the 'political intelligence industry' or its implications for either the political process or the financial markets.''[9] In other words, what is political intelligence and how valuable might it be to market participants? To

---

[1] *United States v. O'Hagan*, 521 U.S. 642, 652 (1997) (''The classical theory targets a corporate insider's breach of duty to shareholders with whom the insider transacts.'').

[2] *Id.* (''The 'misappropriation theory' holds that a person commits fraud 'in connection with' a securities transaction, and thereby violates § 10(b) and Rule 10b-5, when he misappropriates confidential information for securities trading purposes, in breach of a duty owed to the source of the information.''). An example of the misappropriation theory is the attorney who learns of an acquisition while serving as counsel for an acquiring company and embezzles that information by using it to purchase shares in the target company (to which he owes no fiduciary duty).

[3] Historically, a personal benefit to the tipper was only required under the classical theory, but a number of courts have now extended the personal benefit requirement to misappropriation cases. *See, e.g.*, *SEC v. Obus*, 693 F.3d 276 (2d Cir. 2012); *SEC v. Yun*, 327 F.3d 1263 (11th Cir. 2003).

[4] The STOCK Act has identical provisions that cover ''other elected officials'', which includes executive branch employees, judicial officers, and judicial employees.

[5] S. Rep. 112-244, at 6 (2012).

[6] 15 U.S.C. § 78u-1(g)(1).

[7] S. Rep. 112-244, at 8.

[8] *Id.*

[9] *Id.* at 7.

  SRLR ISSN 0037-0665

find that out, Congress tasked the Government Accountability Office (''GAO'') with reporting on the role of political intelligence in financial markets, including: ''[w]hat information is being sought and received — whether it is merely the information passed along to any member of the public who calls his or her Senator or House Member or any agency, or something different; the extent to which investors rely on information they obtain from political intelligence collectors; [and] whether the work of these individuals differs markedly from that of the financial press.''[10]

The GAO released its report on political intelligence this past April. The report highlighted difficulties in bringing insider trading cases against political intelligence firms, or against other parties where political intelligence is the alleged MNPI at issue. The report concluded, among other things, that ''[e]ven when a connection can be established between discrete pieces of government information and investment decisions, it is not always clear whether such information could definitely be categorized as material . . . and whether such information stemmed from public or nonpublic sources at the time of the information exchange.''[11] The report also stated that it is difficult to quantify the prevalence of the sale of this information, based in part on the lack of consensus on what constitutes ''political intelligence'' and that the information is often bundled with other information sources (*e.g.* included in a client publication alongside research, opinions, and policy analysis).

Difficulties in Bringing Political Intelligence Insider Trading Cases

So where does this leave us? There appears to be no imminent effort by Congress to revisit the open issues unresolved by the STOCK Act, although Senator Grassley has alluded to potential legislation throughout his inquiry related to Height Securities.[12] Thus, when cases like the dairy farmer arise, prosecutors and regulators will need to satisfy the traditional elements in any insider trading action they bring.[13] And while prosecutors and regulators have enjoyed marked success in recent years enforcing the insider trading laws, they will likely face significant difficulties in bringing cases relating to political intelligence, as explained below.

First, depending on the type of case that is brought, prosecutors and regulators will face challenges in establishing that the information at issue was non-public. As the House Committee on Ethics explained in a Nov. 29, 2011 memorandum, ''[m]uch information about the work of Congress, such as information obtained during public briefings or hearings, is considered public information.''[14]

However, the House memorandum went on to identify certain examples of ''material nonpublic information'' of which members may come into possession, including ''legislation and amendments prior to their public introduction, information from conference or caucus meetings regarding votes or other issues, and information learned in private briefings from either the public or private sector.''[15] The Committee did not elaborate on when exactly information provided in ''private briefings'' would be considered ''non-public.'' Given that Congresspeople and staff routinely speak with constituents and lobbyists about legislation, information provided during all such exchanges cannot be considered non-public (in the sense that it must not be shared with members of the public), a fact recognized by the Senate Committee.[16] Indeed, were it otherwise, a congressperson would need to simultaneously broadcast his meetings with constituents or post a letter on his website disclosing the contents of the meeting. In the financial context, concerns over ''selective disclosure'' of information prompted the SEC to adopt Regulation FD, which provides for disclosure of MNPI to all or none at all, despite the fact that companies also have an obligation to keep their constituents informed and executives often meet with investors individually and in small groups. It is doubtful, however, that an equivalent selective disclosure regulation could or should be imposed on members of Congress.

A recent opinion from the U.S. Court of Appeals for the Second Circuit on key factors to consider in determining whether information was non-public is illustrative (this was in the wire fraud context, but seems equally applicable to insider trading in the securities fraud context). There, the Court referenced the following as hallmarks of ''confidential'' information: ''written company policies, employee training, measures the employer has taken to guard the information's secrecy, the extent to which the information is known outside the employer's place of business, and the ways in which other employees may access and use the information.''[17] Many of these factors will be difficult to estab-

[10] *Id*. For purposes of the report, the Act defined political intelligence as ''information '(1) derived by a person from direct communications with an executive employee branch, a Member of congress, or an employee of Congress; and (2) provided in exchange for financial compensation to a client who intends, and who is known to intend, to use the information to inform investment decisions.' '' STOCK Act, S. 2038, § 7(b).

[11] U.S. Gov't Accountability Office, GAO-13-389, Political Intelligence: Financial: Market Value of Government Information Hinges on Materiality and Timing 2 (2013) (hereafter ''GAO Report'').

[12] Senator Chuck Grassley, Floor Statement on Political Intelligence and the STOCK Act, May 8, 2013 (available at http://www.grassley.senate.gov/news/Article.cfm?customel_dataPageID_1502=45808). Interestingly, Senator Grassley took the position in his Floor Statement that political intelligence ''does not necessarily involve material non-public information'' and that gathering political intelligence is not illegal. Thus, his proposed legislation is not designed to criminalize trading on political intelligence, but instead to make the political intelligence industry more transparent so that government employees have a better idea of who they are speaking to and what that person will do with the information.

[13] Indeed, Section 4 of the Stock Act makes clear that ''[m]embers of Congress and employees of Congress are not exempt from the insider trading prohibitions arising under the securities laws, including section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder.''

[14] U.S. House of Representatives, Cmte. On Ethics, Memo. re: Rules Regarding Personal Financial Transactions, at 3 (Nov. 29, 2011) (hereafter ''Ethics Memo''). This memorandum was written within a month of a ''60 Minutes'' segment regarding how members of Congress routinely trade on confidential information. ''Ethics Committee Offers 'Insider-Trading' Guidance,'' Roll Call, Nov. 29, 2011.

[15] Ethics Memo, *supra* note 14, at 3.

[16] S. Rep. 112-244 at 8.

[17] *United States v. Mahaffy*, 693 F.3d 113, 135 n.14 (2d Cir. 2012).

lish in political intelligence cases given that so much of what politicians and staff do is confer with members of the public. Moreover, it is unclear based on House and Senate guidance exactly what type of information Congress considers confidential. There may be limited situations in which the Government will be able to satisfy this element, perhaps including those identified in the House memorandum referenced above. For example, the memorandum references a situation in which a House employee learns in a closed hearing that the government will be awarding a bomber contract to a particular aircraft company, and subsequently buys stock in the company before the contract is publicly announced.[18] And last December, the Senate Select Committee on Ethics issued guidance that described as confidential information learned in nonpublic hearings, gathered from confidential committee investigations, or related to classified national security.[19] Given that much of the political intelligence industry is centered on analyzing the effect of legislative action, however, much of the underlying information will fall into grey areas, depending on how and when it was obtained.[20]

Second, prosecutors and regulators will need to show that particular political intelligence is material. Under traditional theories of insider trading, information is material when it is the type of information that a reasonable investor would find important in making an investment decision. Many factors bear on the materiality of information, such as the subject matter of the information, the source of the information, and the certainty of the information. These factors likewise will present problems in political intelligence cases as the GAO Report explained. Take the subject matter. Political intelligence is usually not company-specific. Rather, it typically consists of information about administration or Congressional policy or legislation that may impact a broad swath of companies. While the bomber contract hypothetical discussed above demonstrates that specific pieces of political intelligence can have a predictable impact on a company's stock, there is frequently a considerable gap between government action and effects on an industry, let alone on a particular company. Even in instances where it is fairly clear that particular legislation will impact companies within a particular industry, whether the information is material may be difficult to determine – relevant considerations may include, for example, what percentage of market share a company has and whether a company will benefit or suffer from the legislation's perceived effects on its competitors.

Establishing materiality also will be complicated by questions regarding the source of the information. In the standard corporate context, materiality often is established by demonstrating that the source was an executive who had access to real earnings numbers or other concrete company information; in such cases, prosecutors may prove that the insider attended specific Board or budget meetings or had access to quarterly ''numbers.'' Even where information in the marketplace accurately predicts corporate activity, such as a merger or acquisition, courts have held that confirmation from an insider may constitute incremental, material information.[21] What is the analogue in political intelligence cases? There are far more cooks in the kitchen. There are 100 senators and 435 Congresspeople, each with a full staff. There are countless committees in both houses which have staffs of their own. And legislation requires consent of both houses, as well as the President's signature.

So is one staff member's (or even one Congressperson's) view of the likelihood of a bill's passage material? Is information more material because it came from a committee chair instead of a committee member, a congressperson instead of his chief of staff, or a chief of staff instead of an aide? If so, real questions arise about how remote tippees – people further removed from the source of the information – can properly ascertain whether the information is material, and therefore whether it is legal or illegal to use it in making a trading decision. That said, in practice, prosecutors may still have a compelling case where the evidence neatly shows that the defendant traded soon after speaking with a government insider, regardless of that insider's position.[22] But, as the GAO Report indicates, examples of such cases may be few and far between. The report noted, for example, that the extent to which investments decisions are based on a single piece of political intelligence are ''extremely difficult to measure'' since ''a firm's information is often bundled with other information such as industry research and policy analysis.''[23]

Two examples discussed in the GAO's April 2013 report on political intelligence illustrate the difficulty in establishing materiality. In the first case, a chemist at the Food and Drug Administration (''FDA'') pled guilty to insider trading and was civilly charged by the SEC after she traded in advance of public announcements about whether a particular drug would receive FDA approval.[24] The materiality of the information there seems clear – it was company specific and related to a particular drug, with a predictable (if not close to certain) ef-

[18] A memorandum from the House Ethics Committee providing guidance on new ethical requirements in the wake of the STOCK Act used the example of a House employee who learns in a meeting with Food and Drug Administration staff that a miracle weight loss drug will be approved, and then buys shares of the company that manufactures the drug. U.S. House of Representatives, Cmte. On Ethics, Memo. re: New Ethics Requirements Resulting from the Stock Act, at 6 (Apr. 4, 2012).

[19] U.S. Senate, Select Cmte. On Ethics, Restrictions on Insider Trading Under Securities Laws and Ethics Rules, at 3 (Dec. 4, 2012).

[20] To be sure, however, Congress has identified certain information as ''confidential,'' including business conducted while the President of the United States is in attendance (Senate Rule XXXI) or commercial or financial information provided to a Senate standing committee on a confidential basis (Rule XXVI). Similarly, various pieces of information from the Executive Branch can be deemed ''confidential,'' even classified. The Food and Drug Administration case referenced *infra* is illustrative of that.

[21] *See United States v. Contorinis*, 692 F.3d 136, 143-44 (2d Cir. 2012).

[22] Indeed, courts in the Southern District of New York have required that the MNPI simply play ''a factor'' in the trading decision, and the SEC takes the position that trading while in ''knowing possession'' of MNPI is sufficient for liability. *See, e.g.*, Jury Instructions, *United States v. Gupta*, No. 11-cr-907 (JSR), Docket No. 102, at 17 (''As to the actual trade specified in each count, the trade would be 'on the basis of the inside information' if the information was a factor in the trading decision.''); SEC Rule 10b5-1.

[23] GAO Report, *supra* note 11, at 1.

[24] *United States v. Liang*, No. 11 Cr. 1236 (D. Md. 2011); *SEC v. Chen Yi Liang*, 11-cv-819 (D. Md. 2011).

   ISSN 0037-0665

fect on the stock price. In the second case, by contrast, the relationship between the information and the trading in question was murkier. In November 2005, there was an announcement of a U.S. Senate bill to compensate asbestos victims. That announcement was preceded by increased trading volume in the shares of a small group of companies with asbestos-related liabilities, whose share prices rose following the announcement. There has been no indication that regulators pursued anyone in connection with this activity, and it raises various of the issues discussed above. Although the GAO report did not analyze why regulators declined to pursue the matter, the government would have had to prove (1) the exact information that was disclosed, (2) the context under which it was disclosed (*i.e.* was it non-public?), (3) the certainty of the information (*i.e.* was it material?), and (4) whether the tipper received any benefit, all of which present their own difficulties.

Now pending is Senator Grassley's inquiry regarding Height Securities, which allegedly obtained advance information regarding government funding of Medicare insurers. Height Securities included this information in a client alert sent out 18 minutes before the market closed on April 1, 2013, before the funding decision was publicly announced. In the final minutes of trading that day, trading volume in three health insurance companies affected by the decision reportedly jumped significantly and their stock prices rose sharply. To date, no criminal or civil charges have been levied against Height Securities, but questions certainly do exist. Was the information at issue confidential? Was there a government source who breached a duty in providing this information? Was the source paid for the information or did he do it in a manner he considered consistent with his job responsibilities?

Third, even if the political intelligence is material and nonpublic, cases against tippers and tippees will require proof that the tipper breached his duty of trust or confidence. In past cases, this element typically has been satisfied by showing that a corporate insider disclosed his company's MNPI to a tippee, in exchange for a personal benefit. The STOCK Act's recent affirmation of a similar duty for members of Congress and their staffs arose over concerns about Congressional trading on MNPI obtained through their jobs. Thus, if a Congressional staffer now trades on MNPI he/she obtained through the course of his/her employment – such as a bank's confidential report to the Senate Banking Committee – liability should be clear.

For many ''tipping'' cases, however, the Government will have an uphill battle. Speaking with select members of the public is part of a government employee's job, making it hard to argue that doing so was in breach of his duty. Moreover, aside from the (hopefully) rare case of the congressman or staffer who sells information to select members of the public, proving benefit will be difficult. While personal benefit has been broadly construed to include disclosing information for reputational gain or goodwill, communicating with constituents and reaping goodwill (and votes) from them is consistent with our system of governance.[25] Absent clear *quid pro quo* arrangements, it will be difficult to satisfy the breach of duty element. Indeed the Senate Committee Report recognized this fact, noting that Congressional members and their staff should ''not fall inadvertently into violation of Rule 10b-5 when, in good faith, they engage in discourse with members of the public on matters relating to their official duties.''[26]

In the case of a remote tippee, proving liability will be even more difficult. The government has to prove that someone down the ''tipping chain'' knew, or was willfully blind to knowing, that MNPI was provided in breach of a duty. Prosecutors often argue that sophisticated defendants (*e.g.* a hedge fund portfolio manager) must know about a breach because of the nature (*e.g.* earnings information prior to announcement) and specificity (*e.g.* exact earnings numbers) of the information at issue. Political intelligence is generally less certain and, as noted, is in any event the type of information that is very often legitimately shared with constituents. Of course, there may be straightforward instances where it would seem obvious that the information was disclosed in violation of a duty. The FDA chemist case is one such instance, where as an employee of the Department of Health and Human Services, the chemist was subject to rules explicitly prohibiting her from using for private gain ''information about some action the Government is about to take or some other matter which is not generally known.''[27] But it will be harder to prove that a tipper had a duty not to disclose less specific information, and even more difficult to prove that a remote tippee knew whether or not the tipper was simply performing his job and whether or not he received a personal benefit for the information.

So Can The Farmer Go to Jail For What He Did?

So suppose the local U.S. Attorney charged the Dairy Farmer and his brother with insider trading in connection with the trades in OrgDairy. As defense counsel, what arguments could we make? Both defendants could argue that the information was not confidential because this was the type of information – an aide's response to a constituent's inquiry regarding pending legislation – that members of Congress and their staffs regularly disclose. Indeed, arguably the aide's response to the Dairy Farmer would have been no different had *any* constituent called up the Congressman's office. Similarly, the Dairy Farmer and his brother could argue that the aide did not breach any duty. To the contrary, in speaking with the Dairy Farmer – a concerned constituent – the aide was carrying out his official duties and does not appear to have been motivated by any personal gain. In other words, not only did the aide arguably have no duty to keep the information confidential, but, even if he did, he did not divulge the information in exchange for personal gain and thus any breach of confidence was not a breach of duty under *Dirks*. And, of course,

[25] *See United States v. Rajaratnam*, 802 F. Supp. 2d 491, 498 (2011) (benefit can be ''financial or tangible'', and ''there may be a relationship between the insider and the recipient that suggests a *quid pro quo* from the latter, or an intention to benefit the particular recipient'').

[26] S. Rep. 112-244, at 8.

[27] *See* 45 C.F.R. § 73.735-307(a)(4). The HHS rules further provides that such use of ''official information is clearly a violation of a public trust'' and ''[e]mployees shall not, directly or indirectly, make use of, or permit others to make use of, for the purpose of furthering any private interest, official information not made available to the general public.'' *Id.*

the Dairy Farmer could make compelling arguments that this information – provided by a Congressman's aide regarding the Congressman's intended course of action on a bill – simply was not material. As explained on page 4, *supra*, however, the prosecution likely would have compelling arguments on materiality if the evidence showed that the farmer's brother traded shortly after speaking with the farmer about his conversation with the aide.

A Path Forward?

Straightforward cases of trading on clear political intelligence (like the FDA chemist or the bomber contract hypothetical) can no doubt be prosecuted under traditional theories.[28] Regulators will, however, be faced with an evolving flow of information under the ''political intelligence'' rubric that falls outside the judicially-created contours of insider trading. Making life more difficult for investors is that they are left with little guidance on how to distinguish between lawful and unlawful information when it comes to political intelligence. In passing the STOCK Act, Congress made clear that Congresspeople and their staff are subject to the insider trading laws. But, for good reason, Congress refrained from passing sweeping legislation related to the political intelligence industry. Given that the GAO Report and the Senate Report both identify difficulties in bringing insider trading cases based on political intelligence, the market is left to wait and see if Congress will add clarity to this issue. In the meantime, given this uncertain framework, it is not clear whether prosecutors who have aggressively pursued insider trading cases in recent years will be eager to bring these cases. Should they do so, the disconnect between political intelligence and insider trading laws is sure to be highlighted by experienced defense lawyers and judges mindful of the consequences of prosecutions based on ambiguous legal theories.

[28] *See SEC v. Nothern*, 05-cv-10983 (D. Mass. Mar. 10, 2010) (ordering $460,000 civil penalty after jury found defendant engaged in insider trading by trading on information about 30-year bonds disclosed by Treasury Department at press conference where attendees, including the tipper, signed confidentiality agreements not to disclose the information for a certain period of time).

  SRLR ISSN 0037-0665