

Supreme Court Takes Up Case that Tests Limits on Insider-Trading Prosecutions

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In May 2016, Cahill filed an *amicus curiae* brief in the Supreme Court of the United States in *Salman v. United States*, a case in which the Supreme Court will decide what the government is required to prove regarding "personal benefit" when it brings insider trading charges against investors who receive material, nonpublic information from corporate insiders.

The issue has divided the U.S. Circuit Courts of Appeal, with the Ninth Circuit holding that it is enough to prove that the insider disclosed material, nonpublic information to a friend or relative, and the Second Circuit holding that the government also must prove the insider received a benefit "of a pecuniary or similarly valuable nature" in exchange for the information. Cahill's brief argues that the Supreme Court should approve the Second Circuit's approach in order to preserve the separation of powers between Congress and the judiciary, to provide fair notice to criminal defendants, and to protect market efficiency.