

Insider Trading

Rule 10b5

Insider Trading

Classical Theory

(Dirks/TGS)

Use of material nonpublic info

By fiduciary (or temporary fiduciary)
of the traded company

Extends to tippees who know or
should have known

Misappropriation

(O'Hagan)

Use of material nonpublic info

By someone in position of trust/confidence
with **the source/owner of the information**

Extends to tippees who know or
should have known