

QUESTIONS

For Petitioner Dirks

1. Why is the fact that Secrist did or did not breach a fiduciary duty relevant to Dirks' case?
2. Unlike Chiarella, was not Dirks using information from a true corporate insider?
- ✓ 3. How frequent is fraud in companies listed on the stock exchanges?
4. Would it be proper for the SEC to require Dirks to first inform it of the allegations and then wait a specified period of time before trading?
- ✓ 5. Did not Dirks violate his inherited duty to Equity Funding shareholders by imposing the inevitable losses on shareholders who were not his clients?

For Respondent SEC

1. Was the information transmitted to Dirks by Secrist confidential corporate information?
2. Was it illegal for Secrist to pass on the information?
3. Is the corporate asset theory applicable to this situation?
4. Is the SEC considering a safe-harbor rule for this type of situation?
5. Will not your approach impede the work of securities analysts who may fear that rumors they hear could be treated as inside information for the purposes of Rule 10b-5?