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OPTIONS BACKDATING FRAUD

by Sally Ramage

Abstract

The backdating of share option grants by public companies may possibly have occurred in thousands of companies in the USA, UK and elsewhere. In the United States, several dozen companies have received inquiries from the SEC or they may have received grand jury subpoenas from the United States Attorney's Offices. Shareholders in the US have filed over 60 civil lawsuits alleging breach of fiduciary duty following internal investigations of option grant practices

Whether companies backdated or manipulated option grants to enable executives to utilize a lower than current market price is the issue. 'Backdating' involves the use of a grant date for a share option that comes before the date when the decision was made to award the option. This allowed the option to be back-dated to when the awarding company's share price was lower, increasing the potential profit for the executives when the option is exercised. To investigate for option backdating, the investigator looks into whether options were deliberately backdated to periods when a company's share price was at or near a record low and whether this was properly disclosed and accounted for.

DANGEROUS DOGS

by Roderick Ramage and Sally Ramage

Abstract

Police reported that a four year old British boy was killed on Monday; 30 November 2009 was very distressing. There are some very dangerous dogs being bred in the United Kingdom as pets. They are all very strong and quite heavy compared to the weight of a frail woman or a young child. The pit bull terrier weighs 55 to 65 pounds, and has very strong jaws. The rottweiler weighs twice as much as the pit bull terrier and is used as a guard dog, has intense territorial instinct and is very aggressive. The German shepherd dog is as heavy as the rottweiler and is the choice of the police. The Husky dog weighs as much as the pit bull terrier and is bred as a guard dog. The Alaskan malamute is very heavy at 75 to 100 pounds and is very energetic. The Doberman pinscher is also heavy and is bred as a guard dog, being as heavy and as aggressive as the Chow-Chow. The Presa Canario is the heaviest of the dangerous dogs and has huge and deadly force. The 590 pound boxer is also very aggressive, as is the Dalmatian dog. However, it must be remembered that all dog breeds are potentially dangerous.

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