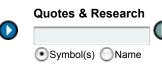


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PERFECT PAYDAY

# **Options Scorecard**

Here's an updated look at more than 120 companies that have come under scrutiny for past stock-option grants.

Note: This list contains companies that have disclosed government probes, misdated options, restatements and/or executive departures. Some companies that have undertaken or disclosed internal probes but no further news may not be included.

# See list by company | See a list of corporate officials

Updated Dec. 31, 2006 -- RED TEXT indicates most recent updates. A green check represents an SEC or Justice Department investigation that has been concluded with no punitive action.

Company Research				Exec./	Restate-	
Markets Data Center	Company	SEC	Justice Dept.	director departures	ments/ Charges	Comments
Video Center						
Site Map						The Santa Monica, Calif., videogame company said on July 28 that the SEC has asked the company for
Corrections						documents related to its stock-option grants as part of an
My Online Journal						informal inquiry. The company also said its board has
Personalize My News						appointed a special subcommittee of independent directors to conduct an internal review of the company's historical
E-Mail Setup	Activision	× –			× –	stock-option grant practices. On Oct. 25 the company said
My Account/Billing						it appears likely that actual measurement dates for certain
RSS Feeds						historical stock-option grants will be found to differ from the recorded grant dates for such awards. As a result, it is
<b>Customer Service</b>						possible that Activision will be required to record additional
The Online Journal						stock-based compensation expense related to stock-option
The Print Edition						grants.(Headlines)
Contact Us						The Dallas technology outsourcer acknowledged May 10, after a preliminary internal probe, that it had issued
Help						executive stock options that carried "effective dates"
BARRON'SOnline	Affiliated Computer Services	×	×	*	×	preceding the written approval of the grants. ACS said it plans a charge of as much as \$32 million to rectify its accounting related to the grants. It is being examined by the Securities and Exchange Commission. On Aug. 7, the company announced that investors should no longer rely on its prior disclosures about the findings of its continuing internal probe. It had previously said a preliminary review suggested no intentional backdating occurred and any charges were likely to be minor. On Nov. 27, 2006, CEO and President Mark A. King and Chief Financial Officer Warren D. Edwards signed separation agreements with ACS that will allow them to remain with the company during a transition period ending June 30, 2007. Noncash compensation costs related to backdating will be about \$51 million, plus additional tax-related expenses. (Headlines) (Options chart)
	Affymetrix				×	The maker of gene-testing devices said on Aug 1 that an internal probe has uncovered "certain documentation lapses" in its stock options grant processes from 1997 through 1999, including one instance when the option grant date should have been recorded differently. But Affymetrix said the review hasn't indicated a pattern of inappropriate options dating. On Aug. 9, the company filed with the SEC to delay the submission of its second-quarter report because of a restatement to its financial statements

						for some options granted between 1997 and 1999. The company said it would restate its financial statements for 2005 and first quarter of 2006.(Headlines)
	Agile Software				×	The San Jose, Calif., software company on Oct. 26 said it expects to record noncash charges on options dating, cutting into net and operating income, with "material" results for some periods going back to 2000 after completing its stock-option backdating review.(Headlines)
	Alkermes	×			×	The Cambridge, Mass., biotechnology company disclosed on August 10 that it is being investigated by the SEC for alleged options backdating. The company also said it will restate several years of past results to adjust accounting for two option grants in 2000 and 2005. (Headlines)
Advertiser Links	Altera	*	*	*	×	On June 21, Altera said its special committee has reached a preliminary conclusion that actual measurement dates for certain option grants issued between 1996 and 2000 differed from the recorded grant dates, and that it expects to restate its financial statements for the fiscal years ended 1996 through 2005. The San Jose, Calif., programmable- chip maker said on May 25 that the SEC and the U.S. attorney in Northern California are looking into its stock- option grants. On May 8, Altera said its board ordered an independent review of "historical stock-option practices and related accounting." The special probe followed a management review sparked by media reports that raised questions about options practices at other companies, Altera said. On Oct. 16, the company said it completed its internal probe, found misdated options, sees restatement adjustments totalling \$47.6 million pretax, and said its CFO was retiring. (Headlines)
Featured Advertiser NASDAQ Presents "QQQ" Diversify your portfolio. Click Here Boardroom Connection A Forum For Leadership Through Technology Innovation	American Tower	×	×		×	The operator of communications towers said May 23 it had received a subpoena from federal prosecutors about its stock-option practices. It previously disclosed an SEC informal probe. On July 28, American Tower announced that an internal review has reached a preliminary conclusion that the actual measurement dates of certain stock-option grants likely differ from the recorded grant dates. As a result, the company expects to record additional noncash charges. On Oct. 23, the company said it will restate 2005 results as well as those from the first quarter of 2006 because the actual dates of certain stock option grants "likely differ" from the recorded dates. (Headlines)
New HP Workstations for Financial Markets   Investor Resource Center   FORWARD THINKING: Investigating major issues that shape our future   NetJets - The World Leader in Private Aviation	Amkor Technology	*			×	On Aug. 16, the Chandler, Ariz., provider of semiconductor assembly and test services said it has identified occasions on which the measurement date used for option awards granted to certain employees was different from the actual grant date. It plans to restate results from fiscal 1998 through the first quarter of 2006. On Sept. 15, the company said the SEC was probing its stock-option practices. On Oct. 6, the company said it found evidence of intentional manipulation of stock option pricing by one former executive and some evidence that two other former executives "may have been aware of, or participated in, this conduct." It is recording extra noncash stock-based compensation expense of \$106 million, after tax, for the period January 1998 to June 30, 2006. (Headlines)
Questions for the Future: Issues that will Shape Our Future CA World 2006! Oracle Presents "Thought Leadership Series" Analyst commentary, product demos, research and much more.	Analog Devices	*	×			Analog Devices said May 24 it had received a subpoena from the U.S. Attorney for the Southern District of New York requesting records related to stock options. The Norwood, Mass., semiconductor maker said the request is for records dating from the year 2000 to the present. Analog Devices reached a tentative settlement with the SEC in November 2005 related to grants. The company said it believes the options being investigated by the U.S. Attorney are the same ones looked at by the SEC. (Headlines)
Lincoln Financial Group presents an archive of WSJ retirement articles CIGNA Presents: "The Benefits of Caring" Ap						On June 19, the Phoenix education provider received a subpoena from the U.S. attorney for the Southern District of New York relating to stock-option grants. Apollo said June 9 its board will hire an outside firm to review its stock-option practices, following a brokerage report that raised questions about whether the for-profit educational

archive of articles on dental health. Amadeus: IT Solutions to the Travel and Tourism Industry	Apollo Group	*	*	*	×	firm had backdate from a Lehman B historical options- On July 10, the co letter from the SE company's stock- said it will likely h problems with pas citing personal rear review found the grants and that it covered errors in company added to prior years becau
	Apple Computer		*	×	*	On Aug. 3, 2006, said it will delay fi restate past result as part of an inter far back to 1997. question" was ma company said its aware of options practice. Director company's chief fi resigned from its investigating Appl 2006 that CEO Jo some favorable si personally benefiti going back to 200 (Options chart) (H
	Applied Micro Circuits	*	*		*	The Sunnyvale, C on June 27 that it attorney for the N stock-option pract SEC notified it of grants. On May 3 is reviewing its his characterizing the was initiated in re stock options.On Attorney's Office f doesn't intend to company's option subpoena, but tha U.S. Attorney's O relating to its past company said its Applied should ha computing costs f company now ex compensation ex primarily relating 2000 through 200
	ArthroCare	×				On Aug. 23, the <i>A</i> it has received co certain document grant practices. T request, it did an activities since its that there have be pricing of its equit evidence of back
	Aspen Technology				×	The Cambridge, M that subcommittee company's stock- errors related to c fiscal 2004. The c statements will re relied upon. (Hear
						The Fremont, Cal equipment maker annual filing, while

ted some past options grants. The report, Brothers analyst, called the company's s-granting practices "highly questionable." company disclosed that it had received a EC about an informal investigation into the -option grants. On Nov. 3, the company have to restate past results as a result of ast grants. Its financial chief resigned. easons. On Dec. 14, the company a company misdated certain stock option it found that some former officers may have n the grant approval process. The that it may face "significant tax liability" for use it misapplied IRS rules. (Headlines)

, the Cupertino, Calif., computer maker filing quarterly results and will likely Its after discovering more "irregularities" ernal probe of stock-option grants going as . In June, Apple said "one of the grants in nade to CEO Steve Jobs. On Oct. 4, the s internal investigation had found Jobs was backdating but didn't benefit from the r Fred Anderson, who served as the financial officer from 1996 until 2004, board of directors. U.S. prosecutors are ple's options practices. Apple said Dec. 29, lobs had recommended the selection of stock-option grant dates, but didn't fit. It also said it will restate financial data 02 and take an \$84 million charge. (Headlines)

Calif., semiconductor company disclosed it received a subpoena from the U.S. Northern District of California related to its ctices. On June 12, Applied Micro said the f an informal inquiry into past stock option 31, Applied Micro said its audit committee istorical stock-option grant practices. e review as voluntary and adding that it esponse to recent industry issues involving Aug. 3, the company said the U.S. for the Northern District of California continue its investigation of the n-granting practices and is withdrawing its nat it has received a subpoena from the Office for the Southern District of California st options grants. On Sept. 14, the s audit committee has concluded that ave used different measurement dates for for certain stock option grants, and the xpects to recognize up to \$200 million in xpense beginning in fiscal year 1998, to options awarded during fiscal years 02. (Headlines)

Austin, Texas, medical-device maker said orrespondence from the SEC requesting ts and information related to its option The company said prior to receiving the internal review of all equity compensation s February 1996 IPO, and said it "believes been no unusual patterns in the timing or ity awards and that there is specifically no kdating of option awards. (Headlines)

Mass., software company said Sept. 6 ee of independent directors reviewing the -option practices has found accounting certain options granted during and before company said previously issued financial equire restatement and should not be adlines)

alif.-based semiconductor manufacturing er on June 13 announced a delay in its annual filing, while a special committee of independent

Asyst Technologies	×	×	*	directors conducts an inquiry into past stock option grants and practices. Asyst disclosed that it received a letter dated June 7 from the SEC requesting documents relating to stock options granted from 1997 to the present. Asyst said it is cooperating in the SEC's inquiry. Asyst said June 28 it received a grand jury subpoena from the U.S. District Court for the Northern District of California requesting documents related to stock-option grants. On Oct. 9, the company said it had completed its options probe and would restate several years of financial results because of wrongly dated grants. The company said a committee of independent directors concluded that "none of the incorrect measurement dates was the result of fraud" and found no evidence to raise concerns about "the integrity of current management." (Headlines)
Atmel	×		×	On Aug. 15, the San Jose, Calif. maker of semiconductor components said it received an informal request for information from the San Francisco office of the SEC over past stock-option grants. In July, the company initiated an internal review of its past stock-option grants, and the review is continuing. On Oct. 30, Atmel said its independent review found that certain of the company's stock-option grants were misdated. It added that the misdating will result in material non-cash, stock-based compensation expenses that would decrease net income or increase net loss in the company's previous financial reports. (Headlines)
Autodesk	×		×	On Aug. 17, 2006, the San Rafael, Calif., design-software company didn't release full results for the second quarter as it said it is conducting a voluntary internal review of its past practices for granting stock options. On Sept. 5, Autodesk said it faces an informal SEC probe into its options practices. On Oct. 6, the company said it had discovered measurement dates for certain option grants differed from the recorded grant dates. Autodesk expects to record additional noncash stock-based compensation expense related to the grants, but said it isn't yet able to determine the amount of the charges. (Headlines)
Barnes & Noble	×	×		The New York bookseller said on July 12 that its board's audit committee will conduct a review of the company's stock-option practices after a shareholder filed a lawsuit alleging that the company improperly backdated dozens of options grants to executives. Barnes & Noble said there was "no merit" to the suit. On July 21, the company said the SEC is conducting an informal inquiry into its options practices. The company said Aug. 29 that it has received a subpoena from the U.S. Attorney's Office for the Southern District of New York related to its options practices. (Headlines)
Bed, Bath & Beyond	×		*	The retailer said on Oct. 10 that a review had found deficiencies in the grant procedures for stock options and that the SEC was conducting a probe following an earlier notification by the company of potential problems. It said it didn't plan to restate results since it doesn't believe the errors to be material in any particular period. It said it will take an \$8 million charge this year relating to revised measurement dates. (Headlines)
BEA Systems				The company said on Aug. 16 that its board is reviewing past option grants with the assistance of outside legal counsel. The company said it may be forced to change its accounting of past option grants, which could have a negative impact on past results. (Headlines)
Biomet				The Warsaw, Ind., maker of orthopedic devices on Dec. 18 formed a special committee to investigate stock-option grants from 1996 to the present to determine whether it had any claims arising out of any inappropriate stock- option backdating. Biomet said it appears that a substantial number of stock-option grants were issued as of dates other than when the grants were actually made to take advantage of a lower stock price on the date of the issue. Biomet also said it appears that some members of senior management were aware of the practice. The company said correcting errors in the stock-option grants may have

					a material effect of historical and current financial statements, but said it wasn't able to say past or current financial statements shouldn't be relied upon. (Headlines)
Black Box	*				On Nov. 17, 2006, Black Box said it received a letter of informal inquiry from the SEC, requesting documents related to the company's stock-option practices since January 1997. The Pittsburgh-based provider of network infrastructure services and products plans to cooperate fully with the SEC in this matter. (Headlines)
Blue Coat Systems	×			×	The Sunnyvale, Calif., Internet security services company announced Aug. 3 that it was informed by the SEC of an informal inquiry into its stock-option practices. On Sept. 11 Blue Coat said it will take additional and material non-cash stock-based compensation expenses relating to stock- option award dates. The company said the actual measurement dates of certain stock options granted primarily from fiscal 2000 to 2004 differ from the recorded grant dates of the awards. (Headlines)
Boston Communications Group	*		*	*	The Bedford, Mass., software company said July 21 that the SEC staff contacted it by telephone regarding an informal inquiry relating to option grants made between 1998 and 2002. The board has retained outside counsel to help review its historical option grants practices. The company said it may need to record additional noncash charges for stock-based compensation expense related to those prior periods. On October 12, Boston Communications said Karen Walker, chief financial officer, has resigned in connection with option-granting issues. EY Snowden, chief executive officer and president, will no longer serve in those roles, moving instead to the non- executive chairman position. Alan Bouffard will accelerate his retirement and leave the general counsel position immediately. The company also said it will need to restate certain past results to record additional as yet undetermined non-cash charges for stock-based compensation expenses. (Headlines) (Options chart)
Broadcom	*	*	×	*	On July 14, the Irvine, Calif., chip maker said it expects to record additional non-cash stock-based compensation expense of more than \$750 million, as it corrects accounting for past stock-option grants. The company believes that substantially all of that expense will be recorded in the years 2000-2003. On June 12, the company said it had been notified that it will receive an informal request from the staff of the SEC regarding its option granting practices. Broadcom said it had started an internal review May 18 amid media reports about options practices. On Sept. 8, the company said compensation expenses it records related to historical stock option grants will be at least double its previous estimate, "and could be substantially more," after additional accounting issues were identified. It said it has been informally contacted by the U.S. Attorney's Office of Central California. Broadcom said on Sept. 19 that William J. Ruehle, who had served as CFO since 1997, "decided to accelerate his retirement as a result of" its internal options review. On Dec. 18 the company approved the findings and recommendations of its audit committee's review of its stock options. Broadcom expects to file an amended annual report for 2005 and the first quarter of 2007. It added that the SEC told the company it has issued a formal order of investigation. The audit committee found each of the option grants made since May 2003 has complied with prevailing accounting rules and isn't subject to restatement. (Headlines)
Brocade Communications	×	×	×	×	The Journal reported on June 18 that federal prosecutors have warned Gregory Reyes, the former CEO of the San Jose, Calif., storage-networking firm, that he could face criminal charges related to stock-options-timing practices. The SEC has warned that he could face civil charges. Mr. Reyes stepped down as CEO in January 2005, at the same time the company announced it would restate income for prior years due to improper accounting for past options grants. The Brocade case, which predated the recent explosion in options-related probes, has been under

бурганно					investigation by the SEC and the U.S. Attorney for the Northern District of California for at least a year. On July 20, prosecutors accused Reyes of backdating options he doled out as a "committee of one" to hundreds of employees, in the first criminal charges filed in the backdating probes. Stephanie Jensen, a former human- resources director, is accused of helping Reyes with the scheme. (Headlines)
Brooks Automation	×	×	×	×	The Chelmsford, Mass., maker of semiconductor gear said in late April that it has begun a review of options grants. On May 12 it said it received notice of an informal SEC review; later it said two board members resigned; and on May 22 it said it had received a Justice Department subpoena. On July 31 Brooks Automation said two former outside directors and its former chief executive signed a "false" document permitting the CEO to exercise an expired stock option for millions of dollars in profit. The disclosure came as the company restated several years of earnings to account for options-related accounting problems. (Headlines) (Options chart)
CA				×	On June 29, the software maker formerly known as Computer Associates announced it would delay the filing of its annual report after uncovering problems with its stock-options program. In a statement, the company said an internal review found that some options were given to employees as much as two years after they were approved by the board. CA said delays could force the company to restate results for past periods. On Aug. 1 the company released its restatement, resulting in a total increase in noncash compensation of \$342 million for the 10-year period from 1996 through 2006, on a pretax basis. (Headlines)
Cablevision	*	*		*	The Bethpage, N.Y., cable-TV company said Aug. 8 that a review has determined that the date and exercise price assigned to a number of its stock option and stock-appreciation rights, or SAR, grants during the 1997-2002 period didn't correspond to the actual grant date and the closing price of the company's common stock on that day. The company disclosed Aug. 16 that the SEC and the U.S. Attorney's office were conducting investigations. On Sept. 21, the company said it backdated options between 1997 and 2002. In practically all cases the share price was lower, "sometimes substantially lower," on the option award than it was the actual date the option was granted, the company said. The company's review identified modifications made to outstanding stock-option grants, "principally extensions of expiration dates" that weren't accounted for properly. Also, two awards of options and one modification were incorrectly accounted for as having been granted to employees. One of these two awards was to the company's former compensation consultant (which was cancelled in 2003) and the other award related to Vice Chairman Mike Lustgarten whose 1999 death occurred after the stated grant date of the award and before the actual grant date. (Headlines)
Caremark Rx.	×	×			Caremark Rx. said May 18 it had received a grand-jury subpoena from the Justice Department and a letter of informal inquiry from the SEC regarding option grants. The SEC is also requesting documents about the company's relocation program. Caremark said it intends to cooperate fully. (Headlines)
CEC Entertainment	×			*	On Aug. 11, the operator of Chuck E. Cheese restaurants said it has been notified that the SEC is conducting an informal inquiry into the company's historical stock-option granting practices. On Oct. 31, the company said its audit committee has found that its stock-option granting process "often" resulted in measurement dates that differed from the recorded dates for the awards. Noting that the probe found no evidence of fraud, the company said additional non-cash stock-based compensation expense should have been recorded, and it estimates an aggregate of related pretax charges of \$10 million to \$35 million. (Headlines) The Costa Mesa, Califbased maker of ceramic body-

Ceradyne	×			×	armor plates said on Aug. 4 that it has found inconsistencies in its stock option grants between 1997 and 2003, as the measurement dates made for accounting purposes and the actual recorded dates differed on some grants. As a result, the company recorded a charge of \$1.5 million pertaining to the years 1997 to 2005 and the first six months of 2006. But since the review hasn't been completed, the charge "may be modified or significantly changed," it said. On Oct. 24, the company disclosed that the SEC has informally requested information about its internal review. (Headlines)
The Cheesecake Factory	×			×	On July 19, the Calabasas Hills, Calif., restaurant operator announced that the Audit Committee of its Board of Directors, which is comprised solely of independent directors, is reviewing the company's practices relating to its stock-option grants. The company said this voluntary review was initiated in response to recent media and Wall Street reports regarding the option granting practices at numerous publicly traded companies, and is being conducted with the assistance of special outside legal counsel. On Aug. 3, the company said the SEC has made an informal inquiry into its previous stock-option granting practices. On Aug. 15, the company said the board's investigation continues and indicated needed adjustments "would likely be material resulting in a restatement of the Company's previously issued consolidated financial statements." (Headlines)
Children's Place					On Aug. 24, the retailer's outside counsel began an investigation into its stock option practices. On Sept. 7, the company said the investigation found instances in which company records didn't correctly reflect the legal grant date for granted stock options. The report concluded that, except for one occasion in 2001, as to which the report was inconclusive, the errors were unintentional. (Headlines)
Chordiant Software	×				The enterprise software company on July 25 announced that it has been contacted by the SEC regarding an inquiry relating to its past stock option grant practices. A day earlier, Chordiant said the audit committee of the its board of directors is in the process of conducting an independent review of options practices and related accounting. (Headlines)
Cirrus Logic	×				The Austin, Texas, circuit developer said on Oct. 24 that the company has found information that "raises potential questions" about the measurement dates used to account for certain stock-option grants. A special board committee will conduct a more detailed review of option grants, and has engaged independent outside counsel. On Oct. 30, the company said the SEC is informally investigating past stock-option practices. (Headlines)
Clorox				×	On August 2, the Oakland, Calif., consumer-products maker said it took a \$25 million pretax charge in its just- completed fourth quarter after an internal review of its options grants identified "unintentional errors" in accounting for them. (Headlines)
CNET Networks	×	×	×	×	The San Francisco operator of Web sites on May 22 appointed a special committee of independent directors to investigate option grants and their timing. On May 24, the company said it had received a letter indicating the SEC had launched an informal investigation. On June 27, CNET announced it has received a grand jury document subpoena from the U.S. attorney for the Northern District of California requesting records on its option grants. The company said on July 10 that it expects to restate financial statements for 2003, 2004 and 2005 to correct errors related to accounting for stock-based compensation. Based on the continuing review by the special committee, CNET may also restate its financial statements for earlier years and its operating results for the first quarter of 2006.On Oct. 11, co-founder and Chief Executive Shelby Bonnie resigned as chairman and CEO after an internal probe found evidence of backdating. (Headlines)

Computer Sciences	*	×			company said the SEC made an informal request for information related to its stock-option grants and practices. CSC said it plans to fully cooperate in the matter. On Aug. 1 the company said the U.S. Attorney's Office in the Eastern District of New York is looking into the company's stock-option grant policies. (Headlines)
Comverse Technology	×	*	×	×	The maker of telecom software said May 4 that it received a subpoena from the U.S. attorney's office for the Eastern District of New York, indicating a criminal investigation of stock-option-granting practices. CEO Kobi Alexander, as well as the company's CFO and senior general counsel, resigned just days earlier. In April, the company said some option-grant dates used in its accounting "differed" from the actual grant dates, and that it would restate more than five years of financial results. On Aug. 9, the former CEO, CFC and general counsel were charged with criminal fraud. On Sept. 27, Alexander, who failed to show up in court and was declared a fugitive by the FBI, was found in Namibia, and was set to be extradited to the U.S. On Oct. 24, ex- CFO Kreinberg pleaded guilty to securities-fraud charges in federal court, making him the first person to plead guilty in the backdating scandal. On Nov. 2, 2006 former genera counsel William F. Sorin pleaded guilty to a conspiracy charge. (Headlines) (Options chart)
Corinthian Colleges	×				The Santa Ana, Calif., operator of for-profit schools said o July 12 that it has voluntarily established a special committee of independent directors to review option grants and it will "take any action deemed appropriate." The pane will review option grants dating back to 1999 when the company held its initial public offering. On Aug. 18, Corinthian said the SEC is conducting an informal inquiry into the company's practices, procedures and disclosures related to its option grants. (Headlines)
Crown Castle International	×				The Houston wireless infrastructure operator said on Aug. 4 that the SEC is conducting an informal inquiry into various accounting matters, including whether past company option grants were backdated. The company said it began an internal review of its equity-based compensation practices. It said it hasn't found any inappropriate actions related to option grants, but said tha for certain stock options, granted primarily from 1998 through 2001, "the proper measurement date for accounting purposes differs from the measurement date used by Crown Castle." (Headlines)
Cyberonics	*	×	*	×	The Houston medical-device maker disclosed on June 27 that it received a subpoena on Monday from the U.S. Attorney's Office for the Southern District of New York, requesting documents relating to its stock options grants. On June 8, a stock analyst at SunTrust Robinson Humphrey questioned a June 15, 2004, stock option grant asserting it was made in the evening, following a vote that day by an FDA advisory panel recommending approval of a Cyberonics medical device. The potential value of the option surged on June 16, when Cyberonics shares rose 78%. On June 9, the Journal reported that the SEC has launched an informal investigation. Cyberonics has denied wrongdoing. On Nov. 20, 2006, the company announced the resignation of its CEO and CFO on the same day it said it saw charges of up to \$10 million for options issues (Headlines)
Dean Foods	×				The The Dallas food and beverage company said on Nov. 1 said the SEC is conducting an informal inquiry into the company's stock-option practices. The country's largest producer of all things dairy added that it intends to cooperate. (Headlines)
Delta Petroleum	×	*			The Denver natural-gas and oil producer on June 19 said it received a subpoena from the U.S. attorney for the Southern District of New York requesting records dating to 1996 related to the granting of stock options. Delta announced May 22 it would conduct an internal review of historical stock-option practices and related accounting. O July 6, the company disclosed that it is the subject of an SEC probe. (Headlines)

Dot Hill Systems				The California-based provider of storage systems on Aug. 10 said it has identified certain miscellaneous discrepancies relating to its option-grant practices from fiscal 2000 through 2003. Dot HIII said it believes that the cumulative impact of the discrepancies is an understatement of compensation expense of less than \$500,000, based on a preliminary review. (Headlines)
Electronic Arts	×			Electronic Arts said Sept. 20, 2006 it has received an informal SEC inquiry requesting certain documents and information relating to the game company's stock-option grant practices from Jan. 1, 1997 to the present. (Headlines)
Emcore			×	The Somerset, N.J., maker of semiconductor components disclosed on Nov. 6 that it is reviewing its historical stock-option-grant practices. The company said its review isn't yet complete, but that it expects to record noncash charges for stock based compensation expense of \$24 million, mainly affecting fiscal years 2000 through 2003. Emcore also said its financial statements dating back to fiscal 2000 are no longer reliable. (Headlines)
Endocare	×			The Irvine, Calif., medical device company said on August 8 that it received a subpoena August 1 from the SEC requesting more information on the company's stock- option-granting practices. The company said its management conducted an internal review of its historical stock-option practices and identified several rants made between 1997 and 2002 for which the actual measurement dates appeared to differ from the recorded grant dates. Endocare said its management concluded the potential accounting impact of any date discrepancies didn't require restatements of past financial reports. (Headlines)
Engineered Support Systems	×	×		Parsippany, N.J., military contractor DRS announced on June 12 that it has been advised by the SEC and the U.S. Attorney's office that each is investigating possible backdating of option grants at recently acquired ESSI, prior to DRS's acquisition of the company, a supplier of logistics and maintenance support. DRS said the U.S. Attorney's office has advised DRS that it considers DRS to be a witness, not a subject or target of its investigation. (Headlines)
EPlus			×	The Herndon, Va., provider of information technology services said on Aug. 11 that it will restate its fiscal 2004 and fiscal 2005 financial results to reflect stock-option grants. The aggregate amount of stock-based compensation expense to be recorded from April 1, 1997, to March 31, 2006, is presently estimated to be approximately \$3 million, which represents approximately 2% of the company's cumulative earnings before taxes over the nine-year period. (Headlines)
Equinix	٧	×		The Foster City, Calif., telecom company said on June 12 that it received an informal inquiry from the SEC relating to stock-option grants and pricing. Equinix said the SEC probe comes after it initiated an independent inquiry following the release of a Center for Financial Research and Analysis report that highlighted a questionable 2001 grant. On June 29, the company announced that it received a grand jury subpoena from the U.S. Attorney for the Northern District of California, requesting documents relating to its stock option grants and practices. The company said on Aug. 15 that the internal audit found no "intentional misconduct" regarding stock options, and therefore no restatement is necessary. On Dec. 6, the company said received formal notification that an investigation of its stock option granting practices by the SEC has been terminated. (Headlines)
Extreme Networks	×			On Sept. 15, the Santa Clara, Calif., networking equipment company said it is the subject of an informal SEC probe of its stock-option grants. The company's board has appointed a special committee to review its past stock option grant practices and its accounting for option grants. (Headlines) The San Jose, Calif., network-equipment maker said on

Foundry Networks	*	*			June 27 that it received options-related subpoenas from the U.S. attorney for the Northern District of California related to the company's granting of stock options from 1995 through the present. Foundry also said it is the subject of an SEC probe. (Headlines)
Forrester Research			×		The Cambridge, Mass., technology-research firm said De 19, 2006 that Warren Hadley, chief financial officer and treasurer, has resigned due to irregularities uncovered by an internal investigation related to a grant of 5,000 option made to Hadley in 1999. (Headlines)
F5 Networks	*	×		×	The Seattle computer-networking company said May 22 i received a grand-jury subpoena from the U.S. District Court for the Eastern District of New York requesting documents related to the granting of stock options from 1995 through the present, as well as an SEC notice of ar informal inquiry into similar matters. On Oct. 25 the company said a special board committee has found that the recorded grant dates for certain stock options granted during fiscal 1999 through 2004 should not be relied upo as the measurement date for accounting purposes. F5 sait may be required to record additional noncash stock-based compensation expenses of up to \$30 million, to restate financial results for fiscal 1999 through 2005, and to amend results for the first half of fiscal 2006. (Headlines)
Gap					On Sept. 7, the San Francisco apparel retailer said that it has reviewed its stock-option practices over 10 years and discovered unrecorded compensation expenses of less than \$5 million. Gap said the amount isn't material to its historical financial statements and will be recorded as an additional compensation expense in the fiscal third quart once the final figure is determined. Gap said that it had identified no backdating in connection with grants to employees at or above the level of vice president. (Headlines)
Getty Images	×				On Nov.9, the Seattle visual-content company said the division of enforcement of the SEC had notified Getty that it is conducting an informal inquiry to investigate the company's stock-option grant practices. The company sait is cooperating fully with the SEC in the matter and has launched an internal probe. (Headlines)
Hansen Natural	×				The Corona, Calif., drink distributor said on Oct. 31 that the SEC requested that the company voluntarily provide documents and information about its past stock grants. T news came after Hansen Natural was listed in a recent report by independent proxy advisory firm, Glass Lewis & Co, as an example of a company where grants to insider were disclosed late, and the stock price rose materially from the purported grant date to the disclosure date. (Headlines)
HCC Insurance Holdings	×		*	×	On Nov. 17, 2006, HCC said the board investigation of grants since 1995 found incorrect measurement dates for certain grants covering a "significant" amount of employees. The cumulative pretax financial impact of additional noncash charges is unlikely to exceed \$37 million, and the Houston-based insurer said it plans to continue cooperating with the SEC's informal inquiry. HC said Stephen Way resigned as CEO. Way, who founded the company, will serve as the non-executive chairman. Also, Chris Martin resigned as general counsel. On Dec. 27, 2006, the company said Way mispriced options in an effort to retain talent and "provide employees with the be option price." (Headlines)
HealthSouth					Former CEO Richard Scrushy repeatedly received stock options dated at low points in the company's stock price, Journal review of securities filings showed, raising questions about the company's options-granting practices Mr. Scrushy denies any backdating occured, and the company said it has "left the investigation of criminal and possible criminal activities at HealthSouth to the relevant authorities. The new management and the new board continue to cooperate thoroughly in these matters." (Headlines) (Options chart)

Home Depot	*	*		*	The Atlanta home-improvement giant said June 23 that the SEC had initiated an informal inquiry into its option-grant practices. On June 16, the company said that in five instances prior to December 2000, the date of the meeting or resolution approving an option grant was later than that used to determine the exercise price. The company estimates that the unrecorded expense over the affected period was not more than \$10 million. As a result, Home Depot said it doesn't plan to restate any prior financial statements. On Sept. 6, Home Depot said that the Office of the U.S. Attorney for the Southern District of New York has also requested information on options. On Dec. 6, 2006, Home Depot said an internal investigation found that it routinely backdated stock options for 20 years starting in 1981 and as a result it understated compensation expense by \$200 million. (Headlines)
IBasis	×		*	×	On Oct. 20, 2006, the Burlington, Mass., voice-over-IP company said it found options that were acounted for improperly and expects to record noncash charges in the range of \$10 million to \$20 million for stock-based compensation over the period from December 1999 to April 2006. The company also said it has received a letter of informal inquiry from the SEC. The company said that as a result of the determinations of its special committee, the company has terminated the employment of Jonathan D. Draluck, the company's general counsel. (Headlines)
Insight Enterprises	×				The Tempe, Ariz., information technology services company said on Oct. 31 that it received an informal inquiry from the SEC seeking information and documents related to its stock-option grant practices from Jan. 1, 1996, to the present. (Headlines)
Integrated Silicon Solution				×	The Santa Clara, Calif. semiconductor company said on Oct. 23 that a committee of independent directors found the company should restate its financial statements for various periods since the company's IPO in February 1995 due to improper dating of stock-option grants. The specific periods to be restated have not yet been determined. (Headlines)
Intuit	V	×			The Mountain View, Calif., software maker disclosed on June 9 that it was the subject of an informal SEC probe of its stock options. Intuit said it launched an internal review earlier in the wake of a report that said options granted in May 2000 carried a moderate risk of backdating. On June 29, Intuit said it has received a subpoena from the U.S. Attorney for the Northern District of California seeking documents concerning the company's practices. On Aug. 16, Intuit said a review of its stock-option-granting practices uncovered no evidence of fraud or intentional wrongdoing, and that the company doesn't anticipate having to restate results. On Oct. 30, the company said the SEC closed its investigation into the software maker's stock-option accounting practices without taking any punitive action. (Headlines)
J2 Global				×	On Aug. 11, the Los Angeles messaging-services company said its board decided that in addition to an existing internal review, it would establish a special committee of outside directors for an independent investigation. J2 said it believes it may need to restate past results but that any additional compensation expense that may need to be recorded would not exceed about \$2.1 million. (Headlines)
Jabil Circuit	*	×			The St. Petersburg, Fla., maker of circuit boards and computer components said June 21 it received a subpoena from the U.S. attorney's office for the Southern District of New York requesting information related to an inquiry about how it accounted for stock-option grants in past years. On May 3, Jabil Circuit said two preliminary internal reviews determined that the company didn't backdate stock-options grants. The SEC is conducting an informal inquiry, and Jabil said a special board committee would also be looking into the matter. (Headlines) (Options chart) Juniper Networks said May 22 it received a request for

Juniper Networks		*		×	information from the office of the U.S. Attorney for the Eastern District of New York, relating to the company's granting of stock options. The Sunnyvale, Calif., company said it is responding to the request and it intends to cooperate fully. The Juniper board's audit committee is reviewing its historical stock-option practices. On July 19, the company said it believes it will record additional noncash charges for stock-based compensation expenses, but added it didn't know if this would result in any restatements. On Aug. 10, the company said it needs to restate historical financial results to record additional noncash charges for expenses related to option grants. (Headlines)
Company	SEC	Justice Dept.	Exec./ director departures	Restate- ments/ Charges	Comments
KB Home	×		*		On Aug. 23, the home builder said it has begun a review of several past stock-option grants to Bruce Karatz, the home builder's CEO, that were dated at unusually low price points. On Aug. 24, the company said it was subject of an informal SEC probe. On Nov. 12, the company announced Chairman and CEO Bruce Karatz agreed to leave the company and forfeit about \$13 million in gains from the backdating as part of an agreement with the company. An internal investigation found that he backdated his own option grants to increase his pay. Also departing are Richard B. Hirst, executive vice president and chief legal officer, and Gary A. Ray, the head of human resources. (Options chart) (Headlines)
King Pharmaceuticals				×	The Bristol, Tenn., pharmaceutical company said on Nov. 10 that a review of its option grants found that the company used "incorrect" and "favorable" dates for a series of options granted to its employees in 2000 and 2001. King said the review "concluded that there was no fraud or manipulation of financial results with the intent to mislead investors." The company added that it will record an expense of \$3.59 million in its third-quarter results to account for understatements of compensation for the 2000- 2006 period. (Headlines)
Keithley	×				The Cleveland maker of measurement instruments said said Sept. 14 it received notice that the SEC is conducting an informal inquiry into its option-grant practices and has requested documents and information. (Headlines)
KLA-Tencor	*	*	*	×	On May 30, KLA said it received a notice from the SEC of an informal inquiry relating to stock-option grants, after disclosing on May 22 that U.S. prosecutors had requested data on grants. On May 24, the semiconductor-equipment maker said its board of directors had appointed a special committee to run an internal investigation of "past stock option grants, the timing of such grants and related accounting and documentation." In 2001, the semiconductor-equipment maker granted its top executives, including Chairman Ken Levy, two batches of stock options. They arrived on unusually fortunate days for the executives: The first dated at the share price's first-half low; the second at its second-half low. On June 30, KLA said a special board commmittee has reached a preliminary conclusion that the actual measurement dates for financial accounting purposes of certain grants issued in prior years likely differ from the recorded grant dates. On Oct. 16, KLA said it expects to record total additional non- cash charges for stock-based compensation expenses of no more than \$400 million, following the completion of its internal probe. It said its general counsel resigned and that it terminated its employment agreement with its former CEO. (Headlines) (Options chart)
KOS Pharmaceuticals	×			×	The Cranbury, N.J., drug developer said Aug. 8 that it expects to restate financial statements from 2001 through the first quarter of 2006 based on a continuing internal review of stock-option grants. It also said that the Southeast Regional Office of the SEC sent it a request for documents relating to the grant and exercise of options during the period from 1997 to the present. (Headlines)

Linear Technology	×	×			The Milpitas, Calif., chip maker disclosed on June 15 that the SEC, as part of an informal inquiry, requested information on past stock-option grants. Linear Technology reported on May 24 that derivative lawsuits were filed against its Board of Directors and certain officers allegging improper back dating. The company denies the allegations. The company said June 28 the U.S. attorney's office for the Northern District of California has requested information about the company's option grants. On Sept. 8, the company said that it received an "information document request" from the IRS regarding the company's stock-option granting practices. (Headlines)
L-3 Communications Holdings					The New York defense contractor "is actively looking into" the timing of stock-option grants made since it went public in 1998, a company spokesman said on June 1. No one has alleged wrongdoing by the company, but several Wall Street analysts have said its stock options have produced unusually high returns.(Headlines)
Macrovision	×	*			On June 13, the Santa Clara, Calif., software company disclosed that the SEC requested information regarding stock-option grants to its senior management, directors and employees for the period since 1997. Macrovision also said it began an internal review. On June 28, the company said it received a subpoena from the U.S. attorney's office requesting information on the company's processes for granting stock options. (Headlines) (Options chart)
Marvell Technology Group	×	×		×	On July 5, Marvell said SEC officials have requested documents and that it has also received a grand jury subpoena from the U.S. Attorney's Office in Northern California for similar information. On Oct. 2, the company said it found errors with past option grants and said it will need to restate results. (Headlines) (Options chart)
Maxim Integrated Products	×	×			The Sunnyvale, Califbased maker of analog and mixed- signal integrated circuits said on June 7 that the SEC is conducting an informal inquiry of its stock-option grants and practices. On July 3, the company announced that it received a subpoena from the U.S. attorney for the Northern District of California asking for documents relating to option grants. (Headlines)
McAfee Inc.	×	*	×	*	On May 30, McAfee ended the employment of General Counsel Kent Roberts after an internal review of the company's employee stock options revealed an improper grant involving Roberts in 2000. McAfee announced on May 25 it is in informal talks with the SEC in connection with its stock-options practices. On June 9, McAfee disclosed it received a document subpoena pursuant to a formal SEC investigation. On July 27, McAfee said findings from a review of its practices and accounting for stock- option grants will force it to restate prior results for at least one, and possibly several, past periods. On Aug. 18, the company said it received a grand jury subpoena from the U.S. attorney's office for the Northern District of California relating to the termination of Roberts. On Oct. 11, the company said George Samenuk has resigned as the company's chairman and chief executive in the wake of findings of a stock-options probe. The board terminated the employment of Kevin Weiss as president. (Headlines)
Meade Instruments	×				On June 13 the Irvine, Calif., optical-products maker disclosed that it received a notice of informal inquiry from the SEC following a May 22 Journal report that highlighted questionable stock-option grants. Between 1998 and 2002, its founder received six option grants. Two were dated at yearly-low closing prices. Another tied for a quarterly low. Immediately after one particularly well-timed grant, dated March 3, 2000, shares more than tripled over the next 20 trading days. The Journal's statistical analysis indicates that the likelihood of a pattern as favorable, or more favorable without regard to share price is about one in 800,000. The company's general counsel said he believed all options were granted properly. (Headlines) (Options chart)

Medarex	×	×	×	*	received a letter of informal inquiry from the SEC that said requested documents "related to Medarex's stock option grants and practices." On June 15, Medarex said it received a grand jury subpoena from the U.S. attorney's office in New Jersey. On August 18, the company declared that it plans to restate its financial results for 2000 through the first fiscal quarter of 2006 following the company's review of its historical stock option grant practices. On Nov. 6, the company said Donald Drakeman resigned from its board and left the president and CEO positions, effective immediately. An internal investigation found option grants were dated on dates when the stock price was relatively low but it did not find evidence of fraud or willful misconduct on the part of the company. (Headlines)
Mercury Interactive	×		×	*	Mercury Interactive disclosed that on May 15, a special board committee determined that the company's former CEO, who left in November 2005, "should be treated as having been terminated for cause." The committee concluded there was a "material breach" of fiduciary obligations, based on "actions and omissions in connection with option grants, option exercises and loans to him." Mercury had previously acknowledged "misdating" options, and has had its stock delisted by the Nasdaq Stock Market and has said it will have to restate financial results. On July 3, 2006, Mercury said that the SEC staff told Mercury that it may recommend that the SEC begin civil enforcement proceedings against three Mercury directors alleging the directors knew or should have known about the manipulation of option grant dates. On July 25, Hewlett-Packard said it will pay \$4.5 billion to buy Mercury Interactive, despite the company's expectations to "continue to incur significant expense" to deal with options problems. (Headlines)
Michaels Stores	×	×			On June 14, the Irving, Texas, operator of arts-and-crafts stores said it understated compensation expenses by as much as \$60 million between 1990 and 2001 because of stock options dating problems. On June 15, the company received a request from the SEC for it to retain documents for future production to the SEC. The company said it received a grand jury subpoena June 16 issued by the U.S. District Court for the Southern District of New York requesting documents relating to options grants during the period 1996 to the present. The company said Sept. 7 that a report from the company audit committee's independent legal counsel didn't support a conclusion that there had been intentional misconduct. Michaels said Sept. 7 that the U.S. Attorney for the Southern District of New York had withdrawn its grand jury subpoena in connection with the transfer of the matter to the Fraud Section of the Department of Justice. Michaels also said it received a grand jury subpoena issued by the U.S. District Court for the Northern District of Texas requesting options-related documents, which it believes are related to the transfer of the case. (Headlines)
Company	SEC	Justice Dept.	Exec./ director departures	Restate- ments/ Charges	Comments
Microsoft					The Journal reported June 16 that the Redmond, Wash., software giant awarded options at monthly lows each July from 1992 to 1999, with varying dates. The software giant also routinely issued options to new employees at the stock's lowest closing price in the 30 days after they joined. In 1999, Microsoft took a charge for the practice and ended it. (Headlines)
Microtune				×	The Plano, Texas, maker of radio frequency products for broadband communications applications said on Sept. 20 that its audit committee has reached the preliminary conclusion that the actual accounting measurement data for certain past stock option grants differed from the stated dates of the grants previously used for its accounting purposes. The company said the difference in the measurement dates will result in "non-cash, stock-based compensation charges that were not recorded in the

					appropriate period." (Headlines)
Mips Technologies	*				On Sept. 19 the Mountain View, Calif., developer of computer processors said the SEC has recently requested that the company provide it with certain information relating to stock-option practices. The company had previously announced that it launched a voluntary internal review of historical stock-based compensation practices. On Oct. 25, the company said the probe has found the company didn't use the correct measurement dates to calculate compensation costs for certain stock-option grants in its financial statements. As a result, the company has determined that it will have to restate results. MIPS added that so far there is no evidence of intentional misconduct by current management.(Headlines)
Molex	×	×			The Lisle, Ill., maker of electronic components said on Aug. 2 that some of its executives will voluntarily pay the company \$685,000 to cover gains from "misdated" stock options. CEO Martin Slark said the errors arose because the person responsible for the option-plan administration plugged the wrong dates into a computer system, sometimes being a few days off. The company said it informed the SEC about the matter. On Oct. 5, the company said it received a subpoena from the office of th U.S. Attorney for the Northern District of Illinois relating to its stock-option practices. The company said on Oct. 31 it faces an informal inquiry into its option granting processes by the SEC. (Headlines)
Monster Worldwide	*	*	×	*	The New York job-search company received a a subpoer from the U.S. Attorney for the Southern District of New York on June 12 relating to its option grants. Monster's securities filings show it made seven options grants between 1997 and 2001 to James J. Treacy, who became its No. 2 executive before leaving the company in 2002. One was dated at the stock's lowest closing price of 1997 and three others carried the lowest closing prices of various quarters. Other senior executives and employees also received grants with some of those dates. The company is conducting an internal review. On June 14, Monster said it had been notified of an informal SEC probe. On July 11, Monster said it may need to restate financial results for 2005 and prior years to record additional stock-based compensation charges. In a short statement on Sept. 19, Monster said longtime general counsel Myron Olesnyckyj was suspended "effective immediately." On Oct. 9, the company said Chairman and CEO Andrew McKelvey resigned both positions, citing in part the demands of coping with the options probe. On Oct. 30, Monster said McKelvey has resigned from the board and had declined to be interviewed by a board committee that is reviewing grants. The company said on Dec. 13 that former officials "intentionally" backdated optio grants during a six-year period. Monster lowered nine years of reported net income by \$272 million to account for the backdating. (Headlines)
msystems	×			×	The Israeli flash-memory company said on June 1 that it has begun on its own initiative an internal review of stock option grants without offering any further details. Msystem subsequently canceled a secondary share offering. On Ju 3, the company announced its board concluded that the actual measurement dates of certain past stock-option grants differ from the previously recorded measurement dates. The company said it intends to restate its financial statements for 2001 to 2005 and take charges in the first quarter of 2006. Also, the SEC is conducting an informal inquiry into the company's grants. On July 30, Sandisk agreed to buy msystems, which recently shortened its name from M-Systems Flash Disk Pioneers, for stock valued at about \$1.55 billion. (Headlines)
Newpark			•	•	The Metairie, La., provider of fluids management and services said on June 29 that a review of past stock optio grants has shown that some of the options granted prior t June 2003 were dated on a day other than when it was approved, and the exercise price was determined in

Resources			~		advance of their approval. The company will restate earnings and estimates its related reduction in pretax income for 2003 through 2005 to be less than \$2 million. The company's former CEO and CFO were terminated. (Headlines)
Novell					On Aug. 29, the Waltham, Mass., software maker disclosed that it has begun a "self-initiated, voluntary review" of the company's historical stock-based compensation practices and related potential accounting impact. Based on preliminary findings, the company said its board's audit committee has engaged independent outside legal counsel to conduct the review. (Headlines)
Novellus Systems					On May 23, the maker of chip-manufacturing gear reacte strongly to being named in a Merrill Lynch report regardin options pricing. Novellus said it had reviewed its process of granting options and hadn't found any irregularities. (Headlines)
Nvidia				×	On Aug. 10, the Santa Clara, Calif., video chip maker sai the audit committee of its board is conducting a voluntary review of the company's stock option practices since its IPO in 1999. The audit committee reached a preliminary conclusion that incorrect dates were used for financial accounting purposes for grants in certain prior periods ar it may record additional noncash stock-based compensation expense related to stock option grants. On Nov. 1, the company said it expects to restate its previously issued financial statements for fiscal years 200 through 2006 and its latest first quarter, which ended Apri 30, to correct errors in accounting for its stock-based compensation. The company said the net impact of the restatement will be combined noncash charges of less than \$150 million. (Headlines)
Nyfix	×	*			Nyfix, a Stamford, Conn., provider of financial trading and communication technologies, in mid-May said it received grand jury subpoena from the U.S. Attorney's Office for th Southern District of New York. The subpoena calls for the production of all documents referring to, relating to or involving the granting of stock options for the time period from 2000 to the present. Nyfix said it intends to coopera fully. (Headlines)
Openwave Systems	×	*		×	The provider of open software for the communications industry said May 22, 2006 it received a letter of informa inquiry from the SEC. The Redwood City, Calif., company said the SEC seeks documents related to Openwave's stock-option grants and stock-option practices. On July 5 Openwave disclosed that U.S. attorneys for the Northern District of California and the Southern District of New Yo issued it subpoenas tied to its past options practices. On Oct. 4, OpenWave said it found measurement dates for certain grants differed from the recorded grant dates and will likely cause the company to restate its results. The company said a special committee hasn't found evidence of any option-grant fraud or manipulation. (Headlines)
Pediatrix	*		×	×	The Fort Lauderdale, Fla., provider of pediatric services said Dec. 6, 2006 that its audit committee expects to conclude that there were deficiencies in its options- granting process, including instances of grant backdating It estimates it may have to recognize additional compensation expense of about \$28 million, in the aggregate, on a pretax basis for the 1995 through 2006 period. Lawrence Mullen, who has served as the company's chief financial officer and chief operating officer resigned from the board. The company said Mullen had a "significant" role in the administration of the company's stock options program. The company said it is cooperating with an informal SEC investigation. (Headlines)
Pixar	×	*			Disney disclosed on Nov. 9 that it had received government inquiries about past stock-option grants at its recently acquired Pixar Animation Studios. The the Burbank, Calif., media giant said it has begun an independent review of Pixar's option grants after inquiries from the SEC and the Justice Department. (Headlines)

PMC-Sierra	*				The Santa Clara, Calif., Internet-networking chip maker said its audit committee completed a review of its stock- option-award practices. The audit committee concluded that, while the company used incorrect accounting measurement dates for certain stock-option grants awarded primarily during the years 1998-2001, "those errors were not the product of any deliberate misconduct by the company's executives, staff, or members of its board of directors." On Nov. 9, the company disclosed that the SEC has begun an informal inquiry into its past stock- option-granting practices. (Headlines)
Power Integrations	×	×	×	×	On May 24, San Jose, Calif., chip maker said the SEC and the U.S. Attorney's Office for the Northern District of California were investigating its stock-option practices. Chairman Howard Earhart resigned May 5, as the company said it probably will need to restate nearly seven years of financial results because of options problems. On July 31 the company said the Nasdaq will delist its shares because the company won't become current in its SEC filings by the Aug. 2 deadline. Power Integrations cited new information on how it accounts for stock option grant dates for the filing delay. (Headlines)
Progress Software	×				The Bedford, Mass., maker of application infrastructure software on June 19 delayed its earnings figures due to a voluntary review of its stock-option grants since the beginning of fiscal 1996. Progress said the review, being carried out by its audit committee along with outside legal counsel, was in response to recent media attention and investor inquiries. Progress said June 27 that it has received written notice that the Boston office of the SEC is conducting an informal inquiry into the company's options practices from Dec. 1, 1995 through Nov. 30, 2002. (Headlines)
Quest Software	×		×	×	On May 22, the Aliso Viejo, Calif., software maker said its board had formed a special committee to investigate historical stock-option practices and related accounting. Quest said it began this investigation following the release of a third-party report about the timing and pricing of stock-option grants. On June 1, Quest said it had received noticed of an informal SEC inquiry into past options grants. On July 5, Quest said that it will restate more than five years of financial statements after an internal investigation found that "many" stock options to employees were wrongly dated. On Nov. 24, the company said it accepted the resignation of M. Brinkley Morse, senior vice president, corporate development, after he declined to be interviews in the options probe. (Headlines)
QuickLogic	×				The Sunnyvale, Calif., maker of programmable logic devices said on Aug. 7 that it received an informal inquiry from the SEC requesting documents and information relating to its stock-option grants. The company said it received notice of the inquiry last week following its disclosure to the SEC that it is conducting an internal review of its stock-option practices and related accounting. (Headlines)
Rambus			×	×	The Los Altos, Calif., maker of technology that speeds up memory chips, said on May 30 that the audit committee of its board has begun an internal investigation of the timing of past options grants and other potentially related issues. The committee expects to focus primarily on options issued in or before 2003 and will be assisted by outside legal and accounting experts. On June 27, Rambus announced that the board's audit committee reached a preliminary conclusion that the actual measurement dates for certain grants issued in prior years differed from the recorded grant dates. On July 19, the company said it plans to restate financial statements dating back to 2003 and incur "significant" costs to correct errors related to its stock- option accounting. Shares of Rambus plunged on the news. On Aug. 15, the company said former CEO Geoff Tate plans to resign from the board, in the wake of improper stock-options dating at the company. On Oct. 19, the company said improper grants would result in charges

					of more than \$200 million. (Headlines)
Redback Networks	×	×			On June 30, the Sunnyvale, Calif., high-speed Internet networking company said it received an informal request from the U.S. Securities and Exchange Commission for information related to historical stock-option grants. The company said it was also subpoenaed by the U.S. Attorney for the Northern District of California related to stock-option grants. (Headlines)
Renal Care		×			German dialysis company Fresenius Medical Care said on June 2 that its U.S. subsidiary Renal Care Group was subpoenaed by the U.S. government for information about its stock-option grants. A Journal report had pointed out grants made between 1997 and 2002 preceded sharp run- ups. Fresenius bought Renal Care in a \$3.5 billion deal that closed in early 2006. (Headlines)
Restoration Hardware				×	On Aug. 28, the company said it would record \$700,000 in stock option expenses and a \$600,000 charge related to the company's review of past stock-option practices. The firm said it determined it had misdated the accounting of some of its previously granted stock options, mainly from 2002 to 2004. The company added that the accounting errors were not material to the results of previously reported periods or the current fiscal year. (Headlines)
Research In Motion	×			×	On Sept. 28, 2006, the Waterloo, Ontario, maker of BlackBerry devices said that it has started a voluntary internal review of stock-option practices. The review identified errors that could reduce past earnings by as much as \$45 million. On Oct. 13, the company said it has found another accounting error, requiring adjustment to prior results, relating to a "net settlement" feature in the company's stock-option plan prior to February 2002. On Oct. 27, the company said that it is subject to an informal SEC inquiry. (Headlines)
RSA Security	×	×			The software maker announced on June 13 that it got a document subpoena from the U.S. Attorney for the Southern District of New York regarding stock-option grants from 1996 to the present. Earlier, Bedford, Massbased RSA received a letter of inquiry and document request from the SEC. RSA said the SEC staff noted that the letter shouldn't be construed as an indication that any violation of law has occurred. RSA said it intends to cooperate fully with the SEC in this matter. (Headlines)
SafeNet	*	×	*	×	SafeNet said in May 2006 it has received a subpoena from the Office of the U.S. Attorney for the Southern District of New York related to the company's granting of stock options. SafeNet also said it received a letter of informal inquiry from the SEC requesting information related to the company's stock-option grants and certain accounting policies and practices. The Baltimore information-security company said it will cooperate fully with both requests. On July 26, the company said it plans to restate results from the fourth quarter of 2002, with further restatements possible. On Sept. 18, the company said it will restate its prior financial statements for the periods from 2000 through March 31, 2006 to correctly account for stock- option grants that were awarded with improper dates. On Oct. 18, 2006 the company said its chairman and CEO, and acting CFO, were stepping down as a result of the probe. (Headlines)
Sapient			×	×	Sapient said on Oct. 17, 2006 that co-founder Jerry A. Greenberg stepped down as CEO and Susan D. Cooke resigned as acting chief financial officer. The consulting company said it planned to record noncash charges because of findings from its investigation into stock-based compensation practices. Sapient's audit committee identified options grants awarded principally from 1997 through 2001 that had incorrect measurement dates and weren't appropriately accounted for. (Headlines)
					On June 9, the SEC requested information regarding the San Jose, Calif., electronic contract manufacturer's stock- option grants since 1997. Sanmina-SCI, which noted it plans to fully cooperate with the SEC's request, said it has

Sanmina-SCI	*	*	*	*	already initiated an internal inquiry concerning grants to its executive officers. On Aug. 14, the company said it has delayed the filing of its 10-Q for the quarter ended July 1 after discovering what may be discrepancies in its accounting for stock options, although it stressed that its initial findings aren't conclusive. The company said on Sept. 13 that it will restate its financial results for periods as far back as 2002, and will incur additional, material charges in those periods because of errors in accounting for past stock-option grants.On Oct. 12, the company said a U.S. grand jury is probing its stock option grant practices, adding that its own internal probe found that most option grants to executives and employees weren't correctly dated or accounted for since 1997. Samina-SCI said it plans to restate its historical results and record noncash compensation charges. The company's four-month investigation found that a former executive and a current manager improperly dated or accounted stock options from 1997 to 2006. The current executive, who the company declined to disclose, has resigned. (Headlines)
Semtech	×	×		×	Semtech said on June 14 that it won't be able to file its quarterly report for the period ended April 30 in time. It also said it got a subpoena from the U.S. attorney in Manhattan for options-related information. On May 22, the Camarillo, Calif., semiconductor supplier declared that it had received a letter of informal inquiry from the SEC, and that it is cooperating fully. The company said the SEC is seeking information related to stock options granted since Jan. 1, 1997.On July 20, the company announced that it will restate its financial results for fiscal years 2002 through 2006 to record additional "material" stock-compensation expense after an internal inquiry found problems with the granting of stock options. (Headlines)
Sepracor	×			×	The Marlborough, Mass. pharmaceutical company said on June 2 that it received a letter of inquiry from the SEC requesting documents related to stock-option grants and stock-option practices. Sepracor says it has created a special committee to oversee a review. On Aug. 10, the company said it will restate financial results for the past three years because of discrepancies in employee stock options grants that inflated their value. (Headlines)
Sharper Image				×	On Sept. 7, the San Francisco gadget retailer said it began a probe into its stock-option practices. The board formed a special committee and is conducting the stock-option review with assistance of independent legal counsel and independent accounting experts. On Sept. 18, the company said it will restate results for three fiscal years and two quarters due to options. (Headlines)
Sigma Designs	×				On July 26, the Milpitas, Calif., technology company reported that the SEC had begun an inquiry into its options granting practices. (Headlines)
Silicon Image	*				The Sunnyvale, Calif., semiconductor maker said on Oct. 31 that it received notice that the SEC is informally investigating the company's option-granting practices from Jan. 1, 2004 through the present. The company, which voluntarily began an internal review of its option-granting practices, said it plans to cooperate fully with the SEC. (Headlines)
Sonus Networks				×	The Chelmsford, Mass. telecom-equipment maker said on Nov. 6 that its audit committee reached a preliminary conclusion that appropriate measurement dates of certain stock-option grants, primarily in fiscal 2000 to 2003, differ from the recorded grant dates. Additional noncash charges for stock-based compensation expense will be material, and Sonus said financial statements for fiscal 2000 through 2005, and the first two quarters of 2006, should no longer be relied upon. (Headlines)
Stolt-Nielsen	×			×	The London-based shipping concern said in an annual report filed on June 1 with the SEC that it backdated stock- option grants for executives and employees in 2003 and 2004, and it took a charge to correct the accounting for the awards. On July 6, the company said it is the subject of an inquiry by the SEC over its stock-option plan. (Headlines)

Sunrise Telecom	*			×	On Sept. 20, the San Jose, Calif., telecom-equipment maker said an internal review determined that it used an incorrect measurement date to account for stock options granted in January 2001. The company said the review didn't find any evidence of deliberate misconduct. Sunrise Telecom will restate results for the fiscal years 2001 through 2005. The total noncash compensation charge for those periods is expected to be approximately \$6 million. The SEC notified the company that it is the subject of an informal inquiry. (Headlines)
Sun-Times Media					The Chicago newspaper publisher, formerly Hollinger International, said on Nov. 8 that said it is conducting an investigation into stock option awards to executives and key employees through 2003, when the company ceased granting stock options. The company said it has discovered that some stock options issued between 1999 and 2002 had been "misdated," but that it sees no material impact from the options issue. Sun-Times said its probe is continuing and that if the misdating is found to be intentional, it may restate its reports. (Headlines)
Sycamore Networks	*	*		×	The Chelmsford, Mass., optical gear firm said May 23 that it was informed that the SEC has started a formal investigation related to certain stock options granted by the company during calendar years 1999 through 2001 that were erroneously accounted for under GAAP. The company said it had previously instituted and completed an independent investigation into this matter and subsequently restated financial results for fiscal years 2000 through 2004 and for the first two quarters of fiscal 2005. Sycamore announced May 30 that the U.S. attorney's office for the District of Massachusetts issued a grand jury subpoena seeking documents related to option grants. It said July 11 that an employee filed suit alleging wrongful termination. The suit includes an internal memo that shows employees discussing how they could manipulate grant dates to make them more lucrative while keeping their actions hidden from auditors. On Sept. 19, Sycamore said it plans additional non-cash charges for stock-based compensation expenses. (Text of suit) (Text of internal memo) (Headlines)
Take-Two Interactive Software	*			×	The New York entertainment software company disclosed on July 10 that the SEC opened an informal investigation into stock-option grants dating back to January 1997. Take-Two said it plans to fully cooperate and also is conducting its own investigation. The company said on Aug. 31 that it has received additional grand-jury subpoenas requesting documents regarding stock options, compensation and expenses. On Dec. 11, the company said an independent investigation found improprieties in the process, and it will need to restate its historical financial results to record charges for compensation expense related to option grants.(Headlines)
тно	×				The Agoura Hills, Calif., videogame software company disclosed on Aug. 7, 2006 that it has received an informal inquiry from the SEC requesting certain documents and information relating to the company's stock-option grant practices from 1996 to the present. (Headlines)
Trident Microsystems	×	×	×	×	According to a WSJ analysis, grants at the Sunnyvale, Calif., chip maker have preceded sharp run-ups. Each of seven grants between 1995 and 2001 to Chief Executive Frank Lin were dated ahead of a double-digit rise in share price over the next 20 trading days. Trident said it has referred the matter to its audit committee for review. It added that during 2004, the company received and responded to an SEC inquiry regarding its stock option grants to executive officers for a period from 2000 to 2004. Trident said June 16 it has received a subpoena from the U.S. Attorney's office in New York; it also said that on May 26 its board set up a special committee to examine past grants from 1995 to 2004. On Sept. 11, the company said certain stock-option grants may have differed from the recorded grant dates, possibly resulting in additional

					charges. Based on preliminary findings, the company expects it will "likely" have to restate financials "for at least some periods." On Nov. 20, Trident said a special committee found the company used incorrect measurement dates when accounting for option grants. Also, Frank Lin resigned as CEO and chairman, effective Nov. 15. The company expects to record noncash charges of \$40 million to \$50 million in periods between 1994 and 2006. (Headlines) (Options chart)
Ulticom					The publicly traded Comverse subsidiary said on April 17 that it would delay filing financial results because of changes involving options grants. On August 9, the SEC filed civil charges against three former executives of Comverse for backdating. Among other allegations, the regulator says former Comverse CFO David Kreinberg initiated a backdating scheme at Ulticom. On Sept. 6, Ulticom said that it received an subpoena related to the SEC's investigation of majority owner Comverse Technology's stock-option practices. (Headlines)
UnitedHealth	×	*	*	×	On May 11, the Minnetonka, Minn., health insurer acknowledged problems with the way it administered its stock-option grants and warned that it might have to restate past results, lose some valuable tax deductions and take charges that could reduce the past three years' net earnings by \$286 million. In addition, the company said it was the subject of an "informal" SEC inquiry into its practices. Federal prosecutors in Manhattan have begun a criminal probe. UnitedHealth also said the IRS had made a request for documents. On June 7, Minnesota Attorney General Mike Hatch said he plans to investigate the health insurer concerning its stock-option grants. On Oct. 15, the company said Chairman and CEO McGuire was departing, as was the company's general counsel. On Nov. 8, the company said it would have to take charges related to its backdated stock options that will be "significantly greater" than its previous estimates and expects the charges to impact more than 10 years of previously reported results. On Dec. 26, 2006, the company said the SEC investigation was now a formal probe. (Headlines) (Options chart)
Valeant Pharmaceuticals	×			×	The Costa Mesa, Calif., pharmaceutical company said on Sept. 11 that the SEC was looking into historical stock option grants. On Oct. 23, the company said it will likely have to restate at least some of its financial statements as far back as 1997 because of improper accounting for stock-option grants. (Headlines)
Verint	×				The publicly traded Comverse subsidiary said on April 17 that it would delay filing financial results because of changes involving options grants. On July 20, the SEC asked Verint to provide documents and information related to a stock-option grants investigation into Comverse. (Headlines)
VeriSign	×	×			The Mountain View, Calif.,company disclosed on June 27 that it received a subpoena from the U.S. Attorney for the Northern District of California requesting documents related to the company's stock-option grants and practices. VeriSign said it also received an informal inquiry from the SEC, requesting documents related to its stock option grants. (Headlines)
Vitesse Semiconductor	×	×	*	×	In late April, the Camarillo, Calif., chip maker suspended its CEO, CFO and an executive vice president, saying the decision was related to the "integrity of documents" involving its stock-option program. Later, Vitesse said its board had discovered additional accounting issues that called into question more than three years of financial results, delayed its next quarterly report and hired a turnaround firm. In May, it terminated the CEO, CFO and the executive vice president whom it had previously placed on leave. (Headlines) (Options chart)
					The Lake Forest, Calif., hard disk-drive maker said on July 27 that it would conduct an internal review of past stock- option grants. The review includes grants doled out from its 1998 fiscal year to the present. The company said preliminary findings suggested there may have been

Western Digital				discrepancies over dates for stock options that were granted between 1999 and 2003. On Oct. 24, the company said an internal investigation found that its 1999 annual employee option grant was intentionally backdated at a lower price by four independent board members. While the actions of the four directors was improper, the special committee didn't find that their actions were illegal. The company said it would file its delayed annual report for the year ended June 30 as soon as it could determine whether it needed to restate its past results to correct the errors. (Headlines)
Wind River				The Alameda, Calif., software maker said Sept. 11 it was delaying its quarterly filing due to an internal options probe. It hasn't yet concluded whether the accounting- measurement dates used for certain grants are correct, nor has it concluded whether differences would result in material non-cash compensation and related charges. (Headlines)
Witness Systems	*	*	×	The Roswell, Ga., software maker said on Aug. 9 that it identified discrepancies in the dates of stock-option grants issued from the company's February 2000 IPO through August 2002, when the Sarbanes-Oxley Act became effective. Witness Systems said it expects to record additional noncash charges of about \$10 million for stock- based compensation costs in prior periods. The company said Oct. 30 that the SEC is conducting an informal inquiry of the company and is seeking information about the company's grant practices from February 2000 to the present. On Dec. 7, 2006, Witness said a board committee found mistakes in measurement dates of some grants. The company said no evidence of fraud or intentional misrepresentation was found. David Gould stepped down as CEO and chairman and will resign from the board. (Headlines)
Xilinx	v		×	The San Jose, Calif, chip company said June 23 that the SEC is making an informal probe into its "practices, procedures and disclosures" related to its stock options grants. On July 25, Xilinx reported earnings, including a \$1.5 million charge to cover what the company termed "minor differences between approval documentation and certain recorded stock option grant dates." On Aug. 16, the company said it has finished its investigation of its stock-options grants, finding no fraud but taking an additional \$700,000 charge in its first fiscal quarter. On Nov. 30, 2006, Xilinx announced that the SEC has formally notified Xilinx that its investigation has been recommended. (Headlines)
Zoran	× ,	<b>K</b>		The Sunnyvale, Calif., company disclosed on July 3 that it has received a notice of informal inquiry from the SEC requesting documents related to the company's stock option grants. It also received a grand jury subpoena from the U.S. attorney for the Northern District of California. (Headlines)

Explanation: "SEC" indicates SEC contact or probe disclosed; "Justice Dept." indicates subpoena from U.S. attorney; "Exec./director departures" refers to departures attributed to grants examinations; "Restatements/charge" applies to situations where a company has said it will restate earnings and/or take a charge to earnings, beyond delaying filing. Companies listed but not checked have disclosed internal probes but no further news and/or have been identified by WSJ reporting as having grants that may need to be scrutinized for possible backdating.

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