

Martha Stewart case study sample



**ASSIGN
BUSTER**

Stewart got served with a securities fraud charge by the Securities and Exchange Commission- SEC (Pain & Bruner 5). This civil suit got filed based on the accusation that Stewart got involved in insider trading. The charge accused Stewart of basing her shares sale on information from her broker's assistant. This charge would attract a fine and no jail time for Stewart.

Four criminal charges got leveled against Stewart. The first charge involved two counts of lying to the Feds during her interviews. Stewart purportedly gave false statements to federal investigators during interviews with investigators. Stewart allegedly lied to the investigators by asserting that her and her broker had agreed on sale of her shares if they fell below \$60 (Pain & Bruner 5). The second charge involved Stewart obstructing justice by failing to adequately cooperate with SEC. Stewart got indicted on this charge for trying to conceal information that might be material to the investigation. The third charge Stewart faced involved her purported attempt to defraud investors directly and through her counsel. This charge implicated Stewart as of making false statements in regard to her Imclone stock sale in order to protect her company's share value. The final charge facing Stewart was that of conspiracy. She got charged with attempting to conspire with Bacanovic, her broker, to cover up her Imclone share sale. If found guilty on all charges, Stewart could probably face years in prison according to the US attorney's office.

Works Cited

Lynn Sharpe Pain, Christopher M. Bruner. " Martha Stewart (A)." Harvard Business School (2006): 1-11.