



July 25, 2005

Donald B. Crawford, President

THE STAND
CORPORATE GREED

VAGABOND CAPTAINS OF INDUSTRY

Richard Scrushy was tried on 36 counts of criminal activity. He was acquitted of everything. His company HealthSouth suffered.

Bernard Ebbers was convicted in March of orchestrating the \$11 billion dollar accounting fraud that sank WorldCom, Inc. three years ago. Ebbers will be sentenced July 13, 2005.

L. Dennis Kozlowski was convicted June 17 on fraud, conspiracy and grand larceny charges for his criminal actions while at the head of Tyco International LTD. Sentencing is set for August 2, 2005, and Kozlowski could face up to 30 years in prison.

Kenneth Lay of Enron Corporation will be on trial in January 2006 on charges of conspiracy, bank fraud and securities fraud.

Jeffrey Skilling, another top Enron official will go on trial at the same time as Kenneth Lay in January 2006 on the same charges of conspiracy, bank fraud and securities fraud charges.

John Rigas was convicted in 2004 of conspiracy, bank fraud and securities fraud while President and CEO of Adelphia Communications Corporation. Rigas was sentenced last week to 15 years in prison.

And there are more, lesser known, perhaps not as culpable, but still more in the world of corporate greed, men and woman without scruples, value or morals. Men and woman determine to get all they can at the expense of anyone and everyone.

And, by the way, there was Martha Stewart. Martha was convicted in 2004 of conspiracy, obstruction of justice and making false statements about her sale of ImClone Systems, Inc. stock. Martha was sentenced to prison and was released after five months and is now serving five more months of confinement in her home.

It is really interesting that Martha Stewart is tried and convicted, and spends time in jail and on home confinement for acting on an insiders tip for stock sale. And Richard Scrushy, CEO of HealthSouth with an acknowledged massive fraud is acquitted of 36 counts of alleged criminal activity. And, ten HealthSouth executives are convicted of this fraud and only one receives a very light and minimum jail sentence. And Martha Stewart, acting on a trading tip goes to jail and suffers house confinement. That hardly

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seems fair or just, does it? If Martha Stewart pays, then everyone of this type should pay, and pay dearly. Rigas, CEO of Adelphia now goes to jail for 15 years for what he did. That seems fair and just. But Scrusy goes free, at least for now. There are more charges, and perhaps justice down the road for Mr. Scrusy. As there should be, if he is guilty.

Bernard Ebbers is going to jail and it will be interesting to see July 13 for how long. Kozlowski will be going to jail and we will find out August 2 for how long. If Lay and Skilling are guilty, they should surely go to jail for a far longer term than old Martha Stewart. The truth of the matter is that anyone who sits at the top of a huge public corporation, accountable to the public and for the public trust, held to the highest possible standards of conduct and professionalism should go to jail if there is any violation of this trust and the commission of any criminal activity. THEY SHOULD GO TO JAIL! Someone of that stature, at that level, and trusted with such incredible responsibility and opportunity, should be held to the highest possible standards and pay the price if they are violated. So far, little shareholder Martha Stewart is the only one who has gone to jail, served the sentence and paid the price for insider trading, something which hardly measures up to securities fraud, wire fraud, mail fraud or money laundering, charges against so many others. No wonder then that so many have such little respect for the law and the application of the law, its discipline and penalties. In so many ways, it just simply does not apply to ALL. Especially corporate tycoons and tyrants. They, like celebrity, appear to have a law unto themselves.

The Man from Galilee said GO and sin no more when one was found guilty. In the case of corporate fraud, I would like to think he meant GO TO JAIL. Sin no more, that is no more corporate greed, but do the right thing, pay the price and wear a gray and white striped uniform. Pay the debt.

We should fully support the government in its attempt to root out all such criminals and make them pay the price. Take Richard Scrusy for example. He was found not guilty, but that does not prove his innocence. It can simply mean that the government failed to make its case against him, to prove beyond a reasonable doubt that he was guilty of those criminal charges, and not that he was innocent of them. Many criminals who did the deed walk free today because of incompetency, and inability or incapability of government and prosecution to MAKE THE CASE. Double jeopardy prevents any re-trial or re-charging of Scrusy on 36 criminal accounts. But, there are more legal issues at stake, criminal and civil for which Scrusy, and any like him, must account. Sooner or later, justice will be done for all, one way or another. What goes around comes around. If, in fact, any so charged are truly innocent of the allegations and charges, we would hope that justice would prevail in their behalf. But if any are guilty, the price no matter how severe should be paid, and paid in full!

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