

1. I believe that Martha Stewart committed insider trading when she sold her ImClone shares, whether it was intentional or not isn't 100% clear to me. My reasons for thinking this is because it doesn't make complete sense why she would jeopardize her position in the company as well as her company image on such a small amount of revenue when she clearly had a sizeable salary from her company. Then again, she could have been greedy. So, from a legal definition, I believe that she did commit insider trading.
2. In my personal opinion, I believe that the U.S. attorneys the Securities and Exchange Commission indicted Martha Stuart based on a serious crime. Insider trading isn't something that should be taken lightly. With the Waksals being arrested for insider trading to Faneuil's pleading guilty to accepting money from Bocanovic to not inform the federal investigators.
3. I agree with the jury that she was guilty beyond the reasonable doubt of conspiracy and obstruction of justice. There were too many red flags in their stories and they kept sticking to the "We made a plan to sell once the share price hit 60" story. Her lawyers made/had poor stories for why she did what she did and the two testimonies from Faneuil's and Armstrongs were too much to ignore. This, of course, is all in my own opinion and I never followed their case as I was too young. Reading the story from this book is actually the first time I've actually heard what happened and why she was sent to prison but from what I'm reading now, I believe the jury was right.
4. **Sentencing:**
 - a. **For Martha Stewart**, I believe that her sentencing was a bit light. Her lawyers' excuse that she followed the advice of her broker thinking that they wouldn't do anything to incriminate her is a bit desperate. I'm sure the firm wouldn't try to do anything to incriminate her as a business but since her broker was a long time friend and would likely try to gain her favor in saving her money by break some rules in the process. My assumption is that a firm like Merrill Lynch would explain the rules their company follows. So, knowing this information she could look out for incriminating behavior since she is a businesswoman after all and I would think someone with so much experience running a large business like hers would keep an eye out for such incriminating behavior.
 - b. **For Peter Bocanovic**, I believe that he should have received the same if not a greater sentence than Martha Stewart because he clearly knew the rules of trading and did it anyway. Not only that he tried covering up his stories and buying off an employee who was clearly new at the firm and would most likely

follow along to keep his job. As the broker, I would assume that he would steer away from such incriminating actions and not participate in it, let alone instigate such actions.

- c. **For Douglas Faneuil**, I believe that compared to Marthas and Peters sentencing, Douglas's sentence was accurate just because of him coming forth and testifying. Being new to the field I would assume that he wasn't sure about the process of how things worked but still should have gone to someone else in the firm and confirmed that such actions were legal.