



## **Execs Put on Leave amid Options Probe**

**Latest instance of possible options timing, at chip maker Vitesse, leads to bench time for chief executive as well as current and former finance chiefs.**

[Stephen Taub](#), CFO.com

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- Vitesse Semiconductor has placed three top executives on administrative leave while a special committee of independent directors conducts an internal investigation into the timing, accounting, and documentation relating to past stock option grants.

The three individuals are chief executive officer Louis Tomasetta; executive vice president Eugene Hovanec, who previously served as chief financial officer; and current CFO Yatin Mody. Vitesse named 20-year company veteran Chris Gardner acting president and chief executive officer.

Vitesse also announced that the investigation could result in a possible restatement.

The SEC has been looking into the timing of stock option grants at a number of companies, including Affiliated Computer Services and Mercury Interactive, to determine whether they were awarded shortly before the company announced good news. The specific concern is that the grants had been backdated to help option holders capitalize on a lower market value.

Earlier this week, Comverse Technology, a maker of equipment for telecommunications networks, disclosed that it would restate results back to 2001. The restatement follows an internal investigation into matters including "the accuracy of the stated dates of option grants and whether all proper corporate procedures were followed."

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