



GENIE CAPITAL · STRUCTURAL DIAGNOSTICS

Audits and Ratings: Structural Gaps and Fixes

A blueprint for separating the evaluator's paycheck from the subject it evaluates — and for putting investors, not issuers, in control of the information they rely on.



Genie Capital

Buea, Cameroon · October 2026



Report Information

PREPARED FOR	Investors, Regulators, Policymakers, Executives, the Press, the People
---------------------	--

PREPARED BY	Genie Capital Ltd
--------------------	-------------------

FRAMEWORK	None
------------------	------

LICENSE	CC BY-NC-SA 4.0 — Creative Commons Attribution-NonCommercial-ShareAlike
----------------	---

DATE	October 2026
-------------	--------------

This report synthesizes only publicly available information. It is offered to inform debate, not to direct capital. Nothing in this document is investment, legal, or accounting advice.



About Genie Capital Ltd

Genie Capital Ltd (**Genie Capital**) is an IP origination and stewardship company based in Buea, Cameroon. Genie Capital Ltd is the originator and steward of novel mathematical formalisms, including **Commitment Mathematics**, **Recursion Mathematics** (formerly Loop Theory), **Transcendental Mathematics**, and derivative works. While the bulk of the work is available under the CC BY-NC-SA license, some derivations are kept proprietary.

In addition to IP origination and stewardship, Genie Capital uses its frameworks to diagnose structural fragilities in global, national, and corporate systems, and makes the resulting diagnostics publicly available under the CC BY-NC-SA license to enhance the public's understanding and push informed debate.

Every report is made by synthesizing only publicly available information through the lens of specific frameworks.

Genie Capital is not an advisory firm, not an investment firm, and not a lobbyist. It holds no position in any company or instrument discussed in this report.

Independence statement

This report was produced without compensation from, or consultation with, any credit rating agency, audit firm, issuer, or regulator named or implied herein.

Table of Contents

(Right-click and choose “Update Field” — or select all and press F9 — if the contents below do not appear automatically on opening.)

About Genie Capital Ltd	3
Table of Contents	4
1 Brief History	5
2 Current Structure	6
2.1 Audits	6
2.2 Ratings	6
2.3 Regulatory Reliance	6
3 Gaps Identified	8
4 Recommendation: The Investor-Funded, Investor-Controlled Model	9
4.1 Core Principle	9
4.2 Funding: The Two Pools	9
4.3 Governance: The Investor Information Board	10
4.4 Assignment, Rotation, and Fees	12
4.5 Liability and Transparency	12
4.6 Mandatory Access, Not Payment	12
4.7 Removing Regulatory Reliance	13
4.8 Private and OTC Markets	13
4.9 Sovereign and Structured Products	13
4.10 Implementation Blueprint	13
4.11 Regulatory Oversight	14
5 Transition Strategy	16
6 Objections and Responses	18
7 Conclusion	20
References	21

1 Brief History

Audits and credit ratings began as investor information services. Both drifted, over the course of a century, into services paid for by the very party they were meant to check.

In the early 20th century, rating agencies sold subscription manuals to investors. Audits were performed for shareholders, who relied on independent verification of management's financial statements. In both cases, the payer was the party relying on the information: the investor.

That model eroded. Rating agencies shifted to the issuer-pays model in the 1970s after the free-rider problem — accelerated by the spread of the photocopier — made investor subscriptions unviable. Regulators then hard-wired ratings into capital rules, investment mandates, and central bank collateral frameworks, creating artificial demand for a good rating. Audits evolved differently: companies paid auditors directly, with audit committees nominally representing shareholders. But management often dominated the selection process, and non-audit consulting fees created additional commercial pressure.

By the 2000s, both systems were structurally compromised. The 2008 financial crisis exposed AAA ratings on CDOs that were paid for by the issuers. Enron, Wirecard, and Carillion exposed audits signed off by firms earning consulting fees from the same companies. The common root: **the subject of the evaluation was also the client.**

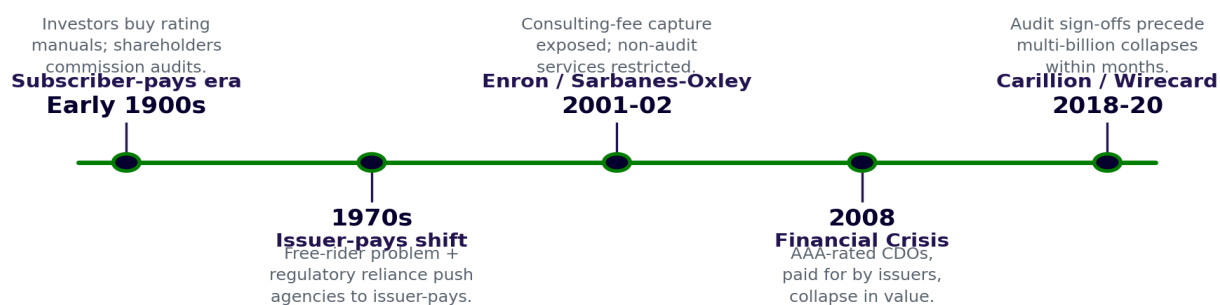


Figure 1. A century of investor-information services drifting from subscriber-funded to subject-funded — and the failures that followed.

2 Current Structure

Strip away the professional vocabulary and audits and ratings resolve into the same shape: the entity being evaluated selects and pays its own evaluator, inside a regulatory system that treats the resulting label as a permission slip.

2.1 Audits

Payer	The company being audited.
Selector	Management, with formal approval by the audit committee.
Fee	Negotiated between management and the audit firm.
Additional revenue	Non-audit services (consulting, tax advice) until partially restricted after Sarbanes-Oxley.
Oversight	Audit committee, regulators, professional standards.
Liability	Civil liability, but often limited by arbitration clauses and liability caps.

2.2 Ratings

Payer	The issuer of the security being rated.
Selector	The issuer chooses the rating agency.
Fee	Transaction fee plus annual surveillance fee, scaling with size and complexity.
Regulatory status	NRSRO designation in the US; ratings embedded in capital rules, investment mandates, and collateral frameworks.
Liability	Ratings treated partly as free speech; limited legal accountability.

2.3 Regulatory Reliance

Regulators use ratings and audits as triggers for capital requirements, investment eligibility, and prudential rules. This creates a permission-slip dynamic: issuers need a good rating to access regulated capital, and companies need a clean audit to remain listed. The demand for a favorable outcome is therefore artificial and intense.

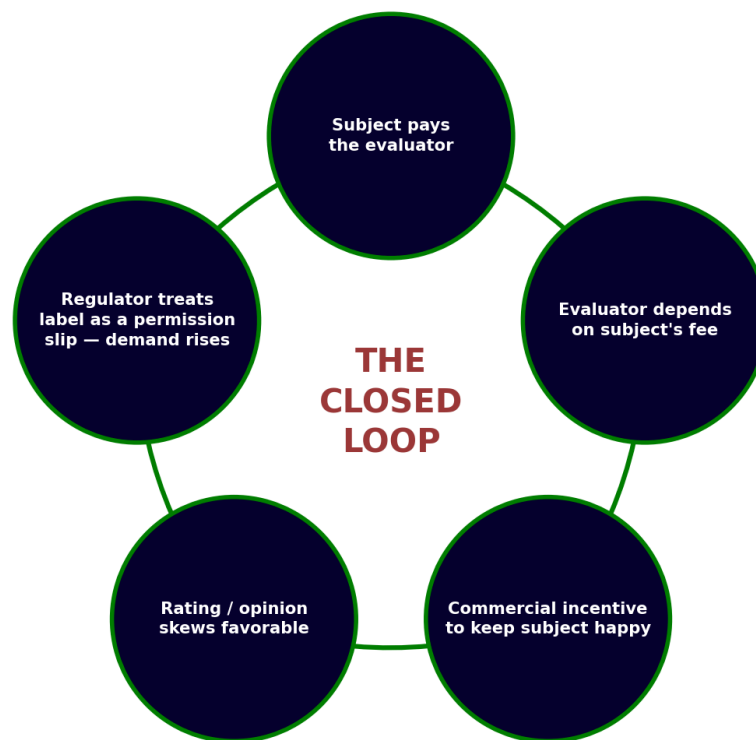


Figure 2. The closed loop: once regulation treats a label as a permission slip, the incentive to keep the subject happy is built into the system, not an aberration of it.

3 Gaps Identified

Ten gaps run through both systems. Some are commercial, some are regulatory, and one is institutional: nobody is currently tasked with building the alternative.

1. **Structural conflict of interest.** The entity being evaluated pays the evaluator. The evaluator's commercial incentive is to keep the subject happy.
2. **Rating shopping and audit capture.** Issuers can threaten to switch agencies. Companies can influence auditor reappointment. This pulls the entire market toward leniency.
3. **Regulatory hard-wiring.** Capital rules and investment mandates make ratings and audits mandatory, increasing the demand for favorable outcomes rather than accurate information.
4. **Lack of real liability.** Fraud and negligence are difficult to prosecute. Liability caps and arbitration clauses dilute accountability.
5. **Free-rider problem.** Public ratings and audits are available to everyone, so no single investor will voluntarily pay. This is the original reason the investor-pays model collapsed.
6. **Asymmetry of timing.** Ratings are pre-decision information. Audits are post-decision verification. Both are investor information, but they are governed by different, inconsistent rules.
7. **Private and OTC markets.** Exchanges have no jurisdiction. Investor-pays models are fragmented and underfunded.
8. **Sovereign and structured products.** The most complex instruments often have the weakest independence safeguards.
9. **Retail investor exclusion.** Retail investors rely on ratings and audits but have no seat at the table in either the current issuer-pays or company-pays models. Their interests are represented by no one.
10. **Absence of regulatory architecture for investor-funded evaluation.** No existing regulator is tasked with overseeing an investor-funded pool, enforcing an audit/consulting firewall, or managing a transition away from issuer-pays and company-pays. The gap is institutional, not just commercial.

*The common thread across all ten gaps: **the subject of the evaluation is also the client**. Every downstream distortion — rating shopping, audit capture, weak liability, retail exclusion — traces back to that single structural fact.*

4 Recommendation: The Investor-Funded, Investor-Controlled Model

4.1 Core Principle

*Audits and ratings are the same economic function: **investor information**.*

Ratings are information before the decision. Audits are information after the decision.

The payer must be the investor. The subject must never be the client.

4.2 Funding: The Two Pools

Create two independent funding pools: the **Audit Pool**, which funds post-decision verification for listed equities, and the **Rating Pool**, which funds pre-decision ratings for debt instruments.

How they are funded:

- A small mandatory levy on trades, brokerage accounts, or assets under management.
- Collected automatically by exchanges, brokers, clearinghouses, and custodians.
- No company money. No issuer money. No management checkbook.
- For private and OTC markets, investor consortia fund ratings directly through subscriptions or loan covenants.
- For sovereign debt, an international investor pool funded by a levy on cross-border bond transactions.

Note: all specific figures, levies, and fee schedules mentioned in this blueprint are illustrative placeholders. The exact rates will eventually be decided by the governing boards based on operational requirements.

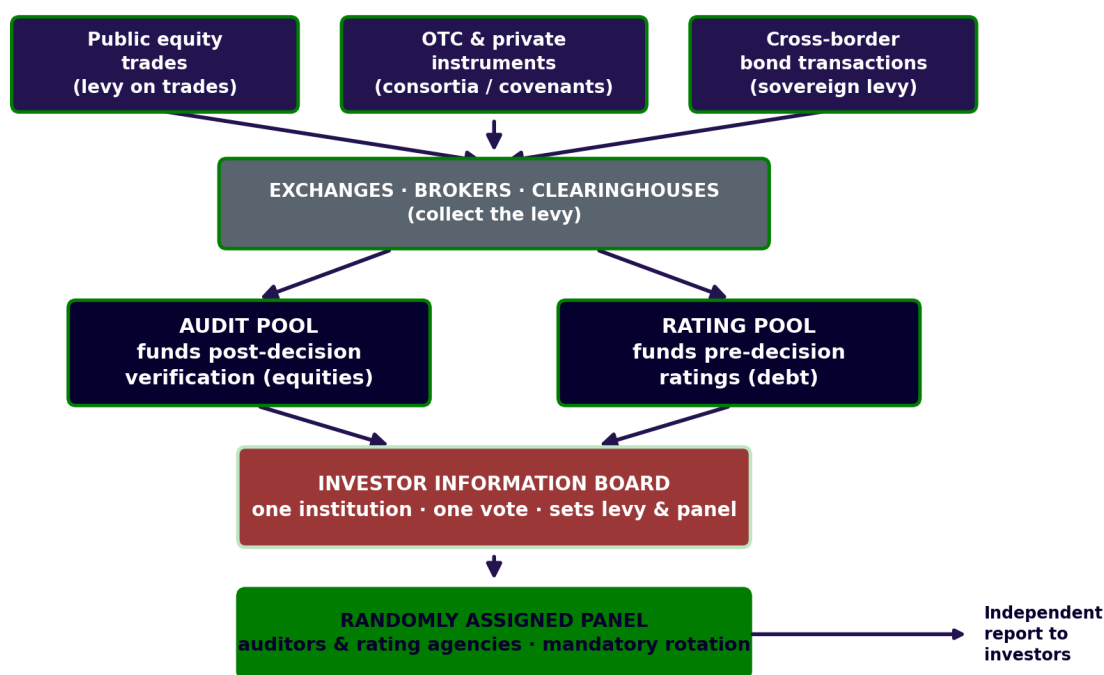


Figure 3. Money flows from investors to the pools to a randomly assigned panel — never from the subject being evaluated.

4.3 Governance: The Investor Information Board

Each pool is governed by an independent Investor Information Board, structured strictly as a cooperative.

The Cooperative Model

Governance operates on the principle of one institution, one vote. Voting power is not based on shares, capital contributions, or assets under management. A massive sovereign wealth fund has the exact same voting weight as a mid-sized regional pension fund. This prevents governance capture by the largest asset managers and ensures decisions reflect the broad consensus of the investor base.

- Seats for pension funds, insurers, asset managers, and independent regulators.
- No issuers. No corporate management. No sell-side banks.
- Rotating board members. Public minutes. Public conflicts disclosures.
- The board approves the panel of auditors and rating agencies, sets the levy, and oversees rotation.

The exchange or clearinghouse collects the levy. The board spends it. **The exchange is plumbing, not the client.**



Figure 4. One institution, one vote — including the retail investor cooperative.

4.3.1 Retail Investor Representation

Retail investors form a recognized cooperative or association. That body holds one seat on the Investor Information Board, with the same one-institution, one-vote weight as any institutional member. It represents individual bondholders, small shareholders, and retail savers who rely on ratings and audits.

- **Formation:** Retail investors organize into a recognized association, consumer finance federation, or proxy body. The form is left to the jurisdiction, but recognition requires a transparent membership process, democratic internal governance, and a published mandate.
- **Funding:** The retail group is funded by a small membership fee or by a dedicated slice of the levy, so it has independent resources to participate, commission research, and hire expert staff. It must not depend on the institutions it sits alongside, or it becomes a captive voice.
- **Scope of representation:** The group speaks for individual bondholders, small shareholders, retail savers, and beneficiaries of retail investment products. It does not replace institutional seats; it sits alongside them.
- **One institution, one vote:** The retail group is treated as a single institution for voting purposes. Its internal process for deciding how to cast that vote is a matter for its own members, subject to its published governance rules.

- **Rotation and accountability:** The retail group's representative on the board rotates on the same schedule as other board members. The group publishes its positions, its voting record, and its conflicts of interest.

This solves the representation problem without diluting the cooperative principle. One institution, one vote. Retail is one institution.

4.4 Assignment, Rotation, and Fees

- Random assignment from an approved panel. The subject cannot pick the evaluator.
- Mandatory rotation every three to five years. No firm keeps a client forever.
- Fixed fee schedule based on size, complexity, and sector. Not on outcome.
- No performance bonuses. No “AAA discount.” No “clean opinion bonus.”

The Audit and Consulting Firewall

Audit and consulting are fundamentally distinct functions with different paymasters. Consulting remains a commercial service paid directly by company management, subject to normal market competition. Audit is an investor information service paid exclusively by the Investor Information Board.

The Absolute Rule: an evaluation firm is permanently barred from auditing any entity to which it provides consulting, tax, or advisory services.

This eliminates the conflict of interest at its root. Firms can still make money from consulting, but they cannot use the threat of losing consulting revenue to influence an audit, nor can they use a lenient audit as a loss-leader to win lucrative consulting contracts.

The evaluator's paycheck does not depend on keeping any single issuer or company happy.

4.5 Liability and Transparency

- Statutory duty to investors for both auditors and rating agencies.
- Criminal liability for fraud. Civil liability for negligence.
- No arbitration clauses. No liability caps that gut accountability.
- Whistleblower protection for employees who report pressure.
- Public methodologies and models. Public conflicts-of-interest disclosures.

If they screw up, they pay. If they lie, they go to prison.

4.6 Mandatory Access, Not Payment

The issuer or company must provide data, management access, and ongoing disclosures. That is not payment. That is a condition of listing, trading, or borrowing.

- Listed instruments: listing rules require submission to pool-assigned rating and audit.
- Private instruments: loan covenants require submission to pool-assigned rating.
- Sovereign: treaty or IMF/BIS condition requires submission to pool-assigned rating.
- Refusal: automatic default rating. Trading suspension. Covenant default.

4.7 Removing Regulatory Reliance

Capital rules, investment mandates, and central bank collateral frameworks should stop using ratings and audits as triggers. Regulators do their own credit analysis. Ratings and audits become investor information, not permission slips. This removes the artificial demand for a good label.

4.8 Private and OTC Markets

- Investor consortia fund ratings directly. Pension funds, insurers, and asset managers pay.
- Clearinghouses collect levies on OTC trades.
- Loan covenants require pool-assigned ratings.
- Borrowers pay nothing.

4.9 Sovereign and Structured Products

- Sovereign: international investor pool funded by a levy on cross-border bond transactions.
- Structured products: investor levy on secondary trades or subscriptions. No issuer payment at issuance.
- Mandatory data access: if the issuer refuses to provide underlying data, the rating is automatically a default rating.

4.10 Implementation Blueprint

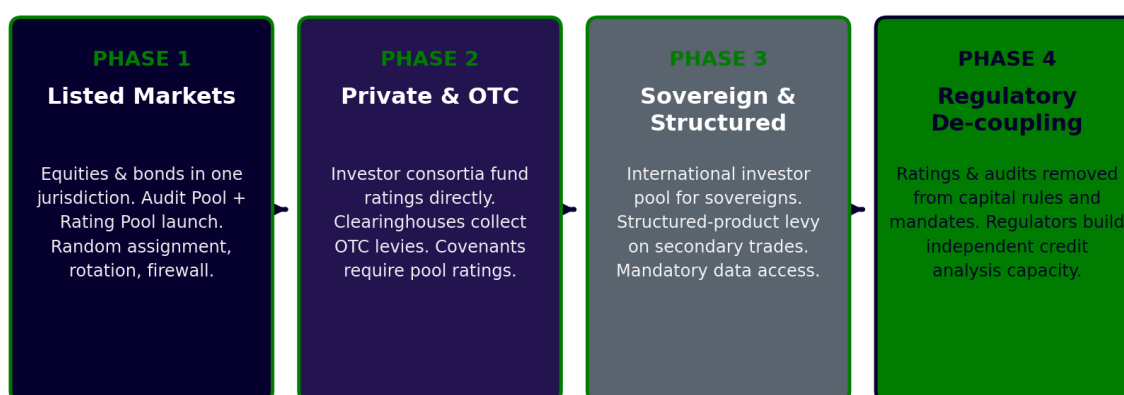


Figure 5. Four phases carry the model from a single listed market to full regulatory de-coupling.

Phase 1 — Listed equities and bonds in one jurisdiction

- Illustrative 0.5 basis point levy on trades (exact figure to be decided by the Board).
- Audit Pool and Rating Pool.
- Independent Investor Information Boards operating under the one-institution, one-vote cooperative model.
- Recognized retail investor group seated on each board.
- Random assignment. Mandatory rotation. Strict audit/consulting firewall.
- Publish results. Compare restatements, default recovery rates, liquidity events.

Phase 2 — Private and OTC markets

- Investor consortia fund ratings directly.
- Clearinghouses collect levies on OTC trades.
- Loan covenants require pool-assigned ratings.

Phase 3 — Sovereign and structured products

- International investor pool for sovereign ratings.
- Structured product rating levy on secondary trades.
- No issuer payment at issuance.
- Mandatory data access.

Phase 4 — Regulatory de-coupling

- Remove ratings and audits from capital rules and investment mandates.
- Regulators build independent credit analysis.
- Ratings and audits become investor information, not permission slips.

4.11 Regulatory Oversight

A public regulator supervises the Investor Information Board. Regulation is the mechanism that closes the remaining gaps: it handles oversight, enforcement, transition, and cross-border coordination. Specifically:

- **Oversight of the board:** The regulator ensures open access for new evaluation firms, appeal mechanisms for panel decisions, term limits for board members, and public transparency. It supervises the cooperative to prevent it from becoming a cartel or a closed club.
- **Enforcement of the firewall:** The regulator requires disclosure of all consulting relationships, imposes criminal penalties for secret consulting while auditing, and protects whistleblowers. It can audit the evaluation firms' client lists and sanction violations.

- **Transition management:** The regulator mandates participation for listed instruments and regulated entities. It sets a timeline for phasing out issuer-pays and company-pays. It provides a temporary levy framework until the pools are self-sustaining.
- **Mandatory access enforcement:** The regulator enforces the rule that issuers and companies must provide data and management access. Refusal triggers automatic default rating and trading suspension.
- **Cross-border coordination:** The regulator works through treaty, BIS, or IMF to create international pools for sovereign and structured products. It negotiates mutual recognition so that a rating issued under one jurisdiction's pool is accepted in another.
- **De-coupling:** The regulator removes ratings and audits from capital rules, investment mandates, and collateral frameworks. It builds independent credit analysis within the regulatory apparatus. Ratings and audits become investor information, not permission slips.
- **Retail group recognition:** The regulator establishes the criteria for recognizing a retail investor group, ensures its internal governance is democratic and transparent, and protects its independence from institutional capture.

Regulation does not replace the cooperative. It supervises it, enforces its rules, and manages the transition from the current system to the new one.

5 Transition Strategy

The blueprint above describes the end state. Getting there requires a deliberate transition. The strategy below is designed to be practical, incremental, and reversible if it fails.



Figure 6. Seven steps carry the model from a voluntary pilot to full cross-border mutual recognition.

Step 1 — Voluntary pilot among large investors

A group of large pension funds, insurers, and asset managers agree to fund a pilot Rating Pool and Audit Pool for a defined set of listed instruments in one jurisdiction. Participation is voluntary for investors. The pilot is governed by an interim Investor Information Board under the cooperative model, with a recognized retail group seated. The pilot runs for two to three years.

Step 2 — Publish comparative results

The pilot publishes its ratings and audits alongside the incumbent issuer-pays and company-pays evaluations. The comparison focuses on restatements, default recovery rates, liquidity events, and divergence between the two systems. If the investor-funded evaluations are more accurate or more timely, the case for expansion is made empirically.

Step 3 — Regulatory recognition and mandate

The regulator recognizes the pools as the official source of ratings and audits for listed instruments in the pilot jurisdiction. Participation becomes mandatory for listed instruments. The levy is applied automatically by exchanges and clearinghouses. Issuer-pays and company-pays are phased out for covered instruments over a defined period.

Step 4 — Expansion to private and OTC markets

Investor consortia fund ratings for private placements and OTC instruments. Clearinghouses collect levies on OTC trades. Loan covenants are standardized to require pool-assigned ratings. Borrowers pay nothing.

Step 5 — Expansion to sovereign and structured products

An international investor pool is created for sovereign ratings, funded by a levy on cross-border bond transactions. Structured product ratings are funded by investor levies on secondary trades or subscriptions. No issuer payment at issuance. Mandatory data access is enforced.

Step 6 — Regulatory de-coupling

Ratings and audits are removed from capital rules, investment mandates, and collateral frameworks. Regulators build independent credit analysis. Ratings and audits become investor information rather than permission slips. The artificial demand for a good label disappears.

Step 7 — Cross-border mutual recognition

Jurisdictions recognize each other's pools and evaluations under a treaty or BIS/IMF framework. A rating issued under one jurisdiction's pool is accepted in another. This prevents regulatory arbitrage and rating shopping across borders.

Each step is reversible. If the pilot fails, the incumbent system remains in place. If it succeeds, expansion is incremental and evidence-based.

6 Objections and Responses

A structural reform of this scale invites structural objections. Six of the most common are addressed below.

OBJECTION: This will be too expensive.

RESPONSE The levy is small—illustratively half a basis point on trades—and it replaces fees that issuers and companies already pay. The cost is shifted, not increased. Over time, more accurate evaluations reduce the cost of capital misallocation, which is far larger than the levy.

OBJECTION: Investors won't pay.

RESPONSE The free-rider problem is solved by making the levy mandatory and automatic. Investors do not choose to pay; the levy is collected by exchanges, brokers, and custodians. This is how clearinghouse and exchange fees already work. The difference is that the payer is the investor, not the issuer.

OBJECTION: This is politically impossible.

RESPONSE The pilot is voluntary and small. It does not require legislation to begin. It requires a group of large investors willing to fund a comparative experiment. If the results are strong, the political case for expansion follows. If they are weak, the experiment ends.

OBJECTION: The cooperative will become a cartel.

RESPONSE The regulator supervises the board, ensures open access for new evaluation firms, and provides appeal mechanisms for panel decisions. Term limits and public transparency prevent entrenchment. The one-institution, one-vote rule prevents capture by the largest asset managers.

OBJECTION: Retail investors cannot meaningfully participate.

RESPONSE Retail investors form a recognized group with one vote on the board. The group is funded independently and publishes its positions and voting record. It does not need to match the resources of a sovereign wealth fund to have a voice.



OBJECTION: The audit/consulting firewall will drive firms out of auditing.

RESPONSE Firms can choose to consult or to audit, but not both for the same client. The audit market will attract firms that prefer stable, independent evaluation work. The consulting market will continue to attract firms that prefer commercial advisory work. The two functions are separated, not eliminated.

7 Conclusion

Audits and ratings are the same thing: **investor information.**

Ratings tell you what you might get before you buy.

Audits tell you what you actually got after you bought.

Both feed the next decision.

The current mess is the predictable outcome of letting the subject pay the evaluator.

The fix is to separate the purse from the subject.

Investor money. Investor control. Investor information.

No company money. No issuer choice. No management checkbook.

Retail investors organize. Regulation handles the rest.

That is how we make it work.

References

This report synthesizes publicly available reporting, regulatory documents, and academic literature. Sources consulted directly in preparing this report are listed below.

History and structure of credit ratings and audits

- Darbellay, A. and Partnoy, F., “Agences de notation et conflits d'intérêts” (Credit Rating Agencies and Conflicts of Interest), *Revue d'économie financière*, 2012, on the 1970s shift from investor-pays to issuer-pays and its quasi-regulatory drivers.
https://ideas.repec.org/a/prs/recofi/ecofi_0987-3368_2012_num_105_1_5978.html
- Coffee, J. C. and others, as summarized in Demos, “Reforming Credit Rating Agencies,” on the shift from investor-pays to issuer-pays and the growth of structured-finance ratings.
https://www.demos.org/sites/default/files/publications/ReformingRatingAgencies_Demos_0.pdf
- Brookings Institution, “Credit Rating Agency Reform Is Incomplete,” on the 1970s issuer-pays shift, the 1975 creation of the NRSRO designation, and Dodd-Frank's mandated study of the issuer-pays model.
<https://www.brookings.edu/research/credit-rating-agency-reform-is-incomplete/>
- U.S. Securities and Exchange Commission, Commissioner Caroline A. Crenshaw, statement on the removal of references to credit ratings from Regulation M, June 7, 2023, on the history of subscriber-pays and issuer-pays models since 1909 and Dodd-Frank's NRSRO oversight reforms.
<https://mondovisione.com/media-and-resources/news/statement-on-the-removal-of-references-to-credit-ratings-from-regulation-m-sec-202367/>

2008 financial crisis and rating agencies

- Financial Crisis Inquiry Commission, Final Report (2011), cited via industry commentary, on the role of Moody's, S&P, and Fitch ratings in marketing mortgage-related securities before the crisis.
<https://www.arenaco.com/dans-views/rating-agencies-are-playing-new-versions-of-the-same-old-games>

Enron

- Reporting on the big three rating agencies maintaining investment-grade ratings on Enron bonds days before its December 2001 bankruptcy, and on Arthur Andersen's collapse following the related audit and document-shredding scandal, as widely documented in contemporaneous financial press and subsequent academic case studies.

Sarbanes-Oxley Act (2002)

- Sarbanes-Oxley Act of 2002, Public Law 107-204, Title II, restricting the scope of non-audit services that registered public accounting firms may provide to audit clients.
<https://www.congress.gov/bill/107th-congress/house-bill/3763>

Wirecard

- Reuters, “‘The money's gone': Wirecard collapses owing \$4 billion,” June 25, 2020, on EY's refusal to sign off on 2019 accounts and the €1.9 billion in escrow funds that could not be verified.
<https://www.itnews.com.au/news/the-moneys-gone-wirecard-collapses-owing-us4-billion-549772>

- Reuters, “German regulator examines auditor EY over Wirecard accounts,” on APAS's formal inquiry into EY's audits of Wirecard from 2015 onward. <https://sg.news.yahoo.com/german-regulator-examine-auditor-ey-134702536.html>
- Agence France-Presse, “German watchdog sanctions auditor EY over Wirecard scandal,” on APAS's two-year ban on EY Germany taking new public-interest audit clients and €500,000 fine. <https://capitalfm.africa/german-watchdog-sanctions-auditor-ey-over-wirecard-scandal/>

Carillion

- Business Live / Reuters, “UK watchdog probes KPMG over Carillion collapse,” January 2018, on the Financial Reporting Council's investigation into KPMG's audits of Carillion for 2014-2017. <https://www.businesslive.co.za/bd/companies/2018-01-29-uk-watchdog-probes-kpmg-over-carillion-collapse/>
- Consultancy.uk, “KPMG hit with record fine for Carillion role,” October 16, 2023, on the £21 million FRC fine following the investigation into KPMG's Carillion audits. <https://www.consultancy.uk/news/35603/kpmg-hit-with-record-fine-for-carillion-role>
- City A.M., “KPMG admits to misleading regulator over Carillion audits,” on KPMG's admission that staff forged documents and misled the FRC during inspections of Carillion audit work. <https://www.cityam.com/?p=1825811>
- Business Wire, “Carillion: Official Receiver Files Audit Negligence Legal Claim Against KPMG,” January 2022, on the £1.3 billion High Court claim against KPMG for alleged audit failures. <https://www.businesswire.com/news/home/20220125006175/en/Carillion-Official-Receiver-Files-Audit-Negligence-Legal-Claim-Against-KPMG>

Dodd-Frank Act (2010)

- Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, Public Law 111-203, Title IX, Subtitle C, mandating SEC study of the NRSRO issuer-pays model, creating the SEC Office of Credit Ratings, and directing removal of credit-rating references from federal regulation. <https://www.congress.gov/bill/111th-congress/house-bill/4173>

A note on sourcing: this report relies on publicly reported facts to illustrate a structural argument. The recommendations — the Two Pools, the Investor Information Board, the audit/consulting firewall, and the phased transition — are original policy proposals by Genie Capital Ltd, not claims about any existing institution's plans or positions.