THE MADOFF AFFAIR
The story of Bernie Madoff

1. What was the side business that Bernie Madoff became involved with early on in addition to his legitimate stock trading? Who were some of his first clients and what was their promised rate of return?

2. By the early 1900’s, what was the problem that Avellino and Bienes were experiencing as they expanded into Florida and why was it a problem?

3. Under the SEC, what is the number of clients where an investment advisor is to register and how many was it known that Madoff was actually servicing?

4. What are the two pieces to a successful Ponzi scheme?

5. What was the one condition Madoff imposed on everyone investing in the funds?

6. What was being “created” on the 17th floor of Madoff’s business, considered to be at the heart of the fraud?

7. As experts from the outside questioned the returns of Madoff, what was the one basic idea that they could not figure out or make work through their equations?

8. After the 2 year investigation started in 2006 by the SEC was concluded, what were their findings on the business operations of Bernie Madoff?

9. What was the ultimate reason why Madoff’s Ponzi scheme collapsed?

10. What was the confession of Madoff like to the FBI agents when he was arrested?