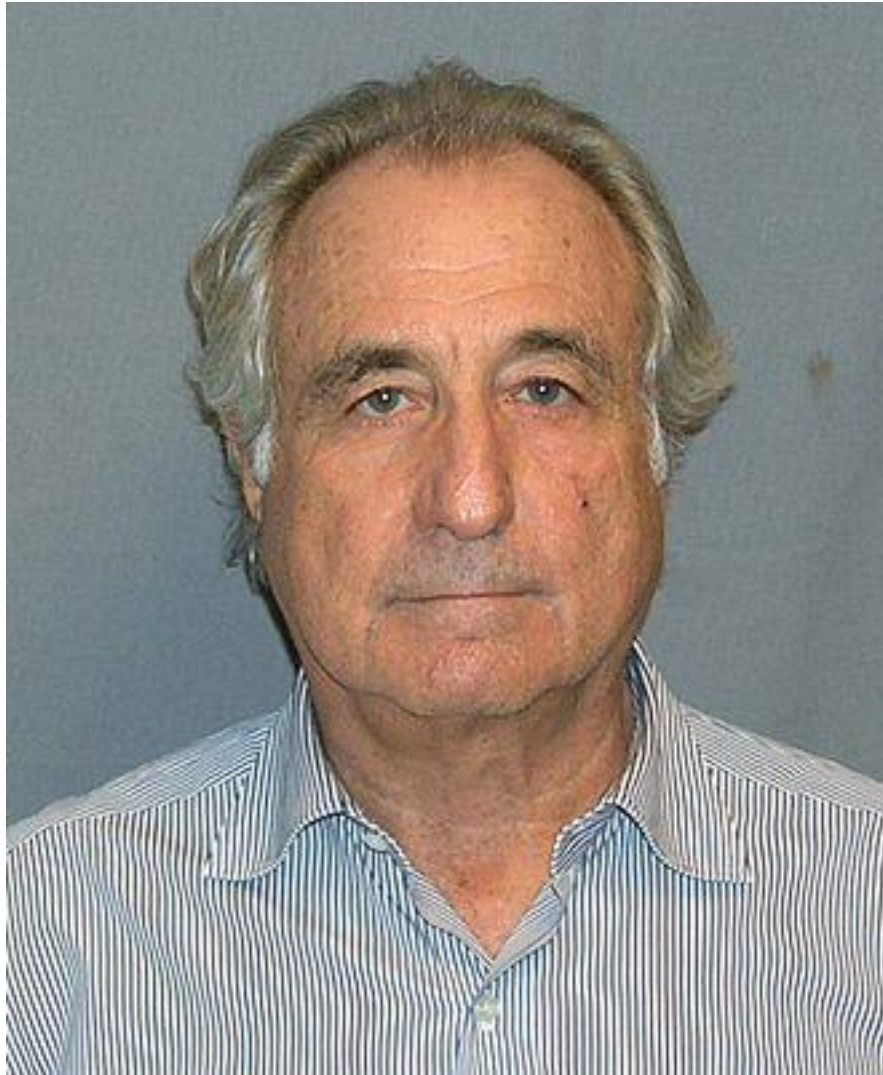


## **The biggest financial frauds**

There have been many financial frauds in the world. The frauds have been the result of insider trading info or massive Ponzi schemes. Some of the most well known fraudsters are shown in the following pages.



# **Bernard Madoff**

Former stockbroker and investment adviser. His name is connected to the most well known Ponzi scheme fraud. He earned \$62 billion through such fraud and is currently sentenced to a maximum of 150 years in prison.



## **Albert H. Wiggin**

Career spanning from head of Chase National Bank and now JP Morgan chase. He shorted his own company with 40000 shares in 1929 and profited immensely to the tune of \$4 million and wasn't even found guilty of breaking any laws.



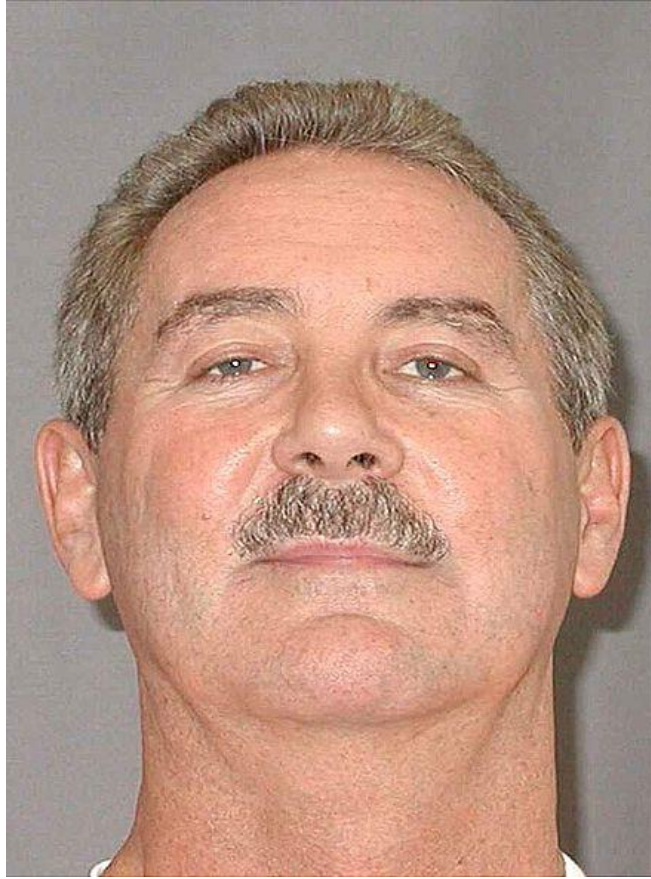
## **Bruno Iksil**

Former trader for JPMorgan Chase & Co and also known as “the London Whale”. His position in the credit default swap market caused more than \$6.2 billion in losses for the firm in 2012.



# Jordan Belfort

Belfort founded the brokerage firm Stratton Oakmont, and went on to defraud investors through sales of stock while employing more than 1,000 people. The firm was shut in 1998. Belfort was charged with money laundering and fraud.



# **Allen Stanford**

Stanford is serving a 110 year prison sentence, having been convicted of charges of fraud. Stanford was the chairman of the now defunct Standord Financial Group of companies.



# Jeff Skilling

Jeff was the CEO of Enron Corp. He was convicted of federal felony charges relating to Enron's financial collapse and is currently serving 14 years prison sentence.



# Ivan Boesky

Boesky is a former American stock trader who is notable for his prominent role in a Wall Street insider trading scandal that occurred in the US in the mid-1980s. In 1987, Boesky was sentenced to 3 years in prison.





# Barry Minkow

Founded ZZZZ Best which appeared to be an immensely successful carpet cleaning and restoration company. However, it was actually a front to attract investment for a massive Ponzi scheme. It collapsed in 1987 costing investors and lenders \$100 million.



# Martha Stewart

Martha is an American businesswoman, writer and television personality. In 2004, Stewart was convicted relating to the ImClone insider trading affair and sentenced to prison.



# Bernard Ebbers

A Canadian born businessman and cofounded the telecommunications company WorldCom. In 2005, he was convicted of fraud and conspiracy as a result of WorldCom's false financial reporting. He was sentenced to 25 years for his role in an \$11 billion accounting fraud. It is the largest accounting scandal in US history.



# Donald Johnson

Executive of stock exchange for Nasdaq's. Convicted in 2011 of using insider information to trade shares of United Therapeutics, Honda and other companies from 2006 to 2009. He was sentenced to 3 and half years in prison for a total of \$755,000 of fraud.



# Doug Whitman

Managing more than \$100 million through his Whitman Capital hedge fund. He was convicted in August 2012 of insider trading charges involving stocks of Google, Polycom and Marvell Technology Group. The total value of his fraud accumulated to \$1 million and led to 2 years in prison.



# Raj Rajaratnam

Former head of Galleon Capital. He received the longest insider trading sentence in history of 11 years for securities fraud and five counts of conspiracy. He was ordered to pay back the \$53.8 million of fraud.