Name: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Period: \_\_\_\_\_ Date: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Enron – The Smartest Guys in the Room**

**Directions: Research the downfall of a corporation named Enron, and then answer the questions below. Enron employed 20,000, with a stock value of $90.00 per share, just prior to its demise. Print your answers on a separate page, and then attach them to this cover instruction page. (100 points)**

**Reflective Questions:**

**1. At what point did the managers of Enron begin to depart from their ethical standards and generally accepted accounting standards, why did they do so, and did anyone caution them that they were going astray? (20 points)**

**2. Which laws were generated as a direct result of the Enron collapse, and why? (**[**Sarbanes–Oxley Act**](http://en.wikipedia.org/wiki/Sarbanes%E2%80%93Oxley_Act) **of 2002); (20 points)**

**3. Who were the key executives, what were their titles and functions, and how many innocent employees were affected by the illicit practices of these executives. (20 points)**

**4. How much money or wealth was involved, and what were the losses accrued by the Enron debacle? (20 points)**

**5. What were the penalties of these Enron executives in terms of years in jail and financial penalties? (20 points)**