**The FTX Collapse Explained**

**Business ethics, fraud, conflicts of interest, internal controls**

Description: Cryptocurrency exchange FTX was seen as a survivor in a struggling industry, but over the course of six days the exchange collapsed due to a sudden liquidity crunch. The Wall Street Journal explains in this video the factors that drove FTX’s growth and what led to its downfall.

*Use with:* <https://www.youtube.com/watch?v=ZCxMMVShRAM>

1. What went wrong with FTX?
2. Do you think celebrity endorsements helped FTX grow? Why or why not?
3. How did Sam Bankman earn his “crypto savior” reputation?
4. How did Bankman’s fraudulent crypto scheme come to light?
5. Why was Bankman’s business model unethical?