



U.S. Department of Justice

*United States Attorney
Southern District of New York*

*The Silvio J. Mollo Building
One Saint Andrew's Plaza
New York, New York 10007*

December 13, 2022

VIA ECF

The Honorable Ronnie Abrams
United States District Judge
Southern District of New York
500 Pearl Street
New York, New York 10007

Re: *United States v. Samuel Bankman-Fried, a/k/a "SBF," No. 22 Cr. 673 (RA)*

Dear Judge Abrams:

The Government writes to advise the Court of the status of the above-referenced case, which was unsealed and wheeled to your Honor earlier today.

On December 9, 2022, a grand jury sitting in the Southern District of New York returned an eight-count Indictment charging Samuel Bankman-Fried with conspiracy to commit wire fraud, wire fraud, conspiracy to commit commodities fraud, conspiracy to commit securities fraud, conspiracy to commit money laundering, and conspiracy to defraud the United States and commit campaign finance violations. The charges in the Indictment arise from an alleged wide-ranging scheme by the defendant to misappropriate billions of dollars of customer funds deposited onto FTX, the international cryptocurrency exchange founded by the defendant.

The Government expects that the evidence will show that the defendant defrauded FTX customers by misappropriating their funds for his personal use, including to invest for his own account, to make tens of millions of dollars of political contributions, and to cover billions of dollars in expenses and debts of Alameda Research, a cryptocurrency hedge fund also founded by the defendant. The evidence will further show that the defendant made affirmative misrepresentations about the relationship between FTX and Alameda Research, as well as about FTX's and Alameda Research's overall financial condition, thereby defrauding FTX's equity investors as well as Alameda Research's lenders. The Government expects the evidence will show that the defendant violated campaign finance laws by causing political contributions to candidates and committees associated with both major political parties to be made in the names of co-conspirators, when in fact those contributions were funded by Alameda Research with misappropriated customer funds. This alleged scheme enabled the evasion of contribution dollar limits, corporate donation limits, and donation reporting requirements, and was in service of the defendant's desire to influence the direction of policy and legislation on the cryptocurrency industry.

On December 12, 2022, the defendant was arrested in the Bahamas by the Royal Bahamas Police Force on a provisional arrest warrant from the United States and was detained overnight. The Government understands that the defendant is being presented today before a magistrate judge in the Bahamas, at which time it will be determined whether he will be detained pending further legal process there.

When the defendant arrives in the United States through the extradition process or through a waiver of extradition, the Government will promptly advise the Court so that an arraignment and initial conference may be scheduled.

Respectfully submitted,

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