

Forum:[Hack Forums](#)

Thread: [SEC Charges Samuel Bankman-Fried with Defrauding Investors in Crypto Trading Platform](#)

SUI-3183372 - January 19, 2023, 8:55 am

The SEC has finally brought charges against SBF, adding to his lengthy but ever-growing list of problems.

Highlights from the press release "Defendant Concealed His Diversion of FTX Customers' Funds to Crypto Trading Firm Alameda Research While Raising More Than \$1.8 Billion from Investors"

"Bankman-Fried promoted FTX as a safe, responsible crypto asset trading platform, specifically touting FTX's sophisticated, automated risk measures to protect customer assets. The complaint alleges that, in reality, Bankman-Fried orchestrated a years-long fraud to conceal from FTX's investors the undisclosed diversion of FTX customers' funds to Alameda Research LLC, his privately-held crypto hedge fund; the undisclosed special treatment afforded to Alameda on the FTX platform, including providing Alameda with a virtually unlimited "line of credit" funded by the platform's customers and exempting Alameda from certain key FTX risk mitigation measures; and undisclosed risk stemming from FTX's exposure to Alameda's significant holdings of overvalued, illiquid assets such as FTX-affiliated tokens."

"The SEC's complaint charges Bankman-Fried with violating Section 17(a) of the Securities Act of 1933 (the "Securities Act") and Section 10(b) of the Securities Exchange Act of 1934 (the "Exchange Act") and Rule 10b-5 thereunder."

<https://www.sec.gov/litigation/litreleases/2023/lr25616.htm>

LeetSpeed - January 19, 2023, 9:20 am

I'm interested to see what charges stick and how much time he's going to get.

Marvelous - January 19, 2023, 9:46 am

(Jan 19, 2023 10:20 AM)LeetSpeed Wrote: [\[CITE\]](#) I'm interested to see what charges stick and how much time he's going to get.

Well its a high profile case with a lot of angry people. I bet he gets a high sentence at first then he will try and get it reduced after everyone forgets what happened. Mommy and Daddy have a lot of friends.

Omniscient - January 19, 2023, 11:07 am

Thanks for posting the official charges. Still don't think he's going to get stuck with any serious time at all. And now it looks like they are saying FTX is going to open again. I think the rig is in. They're gonna find whatever money they can to bring FTX back in some form just so his defense can argue that everything was under control and just fine and that regulators were the problem or even Binance.

We live in clown world. FTT token up 30% today.

