

# Key witness gives more damning evidence at US crypto trial

October 11 2023

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Sam Bankman-Fried's former girlfriend, Caroline Ellison, walks through security at Manhattan Federal Court on October 10, 2023, in New York.

The former partner and girlfriend of Sam Bankman-Fried told a New York courtroom on Wednesday that she constantly worried that clients

of their FTX crypto platform would discover they were being defrauded.

After already offering damning evidence against him on Tuesday, Ellison delivered new details on Bankman-Fried's management in which the onetime crypto wunderkind was involved in all major decisions.

"I constantly worried about people finding out and customers withdrawing too much money at once," Ellison told the courtroom as she described the measures the company took to cover up their tracks.

The testimony came a day after Ellison said that they had stolen around \$14 billion from clients of the cryptocurrency trading platform before it collapsed into bankruptcy late last year.

The 31-year-old Bankman-Fried, co-founder and former CEO of FTX, has been charged with seven counts of fraud, embezzlement and criminal conspiracy, and if convicted could face the equivalent of a life sentence.

At the heart of the case is the unhealthy relationship between FTX and Alameda Research, Bankman-Fried's personal hedge fund that depended on client money from FTX to stay afloat.

Ellison and Bankman-Fried met as traders at a New York investment company and she joined him when he started FTX.

He later asked her to be CEO of Alameda but she insisted he made all significant decisions, even though he still ran FTX.

Ellison said that when the crypto markets began to sour, she at one point prepared seven versions of Alameda's balance sheet as Bankman-Fried feared the true state of their finances would spook investors.

Given the financial shenanigans, the 28-year-old Stanford University

mathematics graduate said she often voiced her concerns with her on and off again boyfriend.

Bankman-Fried told her their work was being done for "the greater good" and that "he didn't feel like 'don't lie, don't steal' fit into that," she told the jury.

She said this was in reference to Bankman-Fried's utilitarian system of belief, in which the moral outcome of one's actions are what matters, not necessarily the means.

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Citation: Key witness gives more damning evidence at US crypto trial (2023, October 11) retrieved 10 May 2024 from <https://techxplore.com/news/2023-10-key-witness-damning-evidence-crypto.html>

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