

Prosecutors urge 40-50 years for crypto fraudster Bankman-Fried

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Sam Bankman-Fried admitted during trial he had made 'mistakes' but denied that he had ever tried to defraud anyone.

US prosecutors have requested that a court sentence disgraced crypto mogul Sam Bankman-Fried to between 40 and 50 years imprisonment

for massive fraud that cost customers \$8 billion, court documents showed Friday.

The founder and CEO of the FTX cryptocurrency exchange platform will face sentencing on March 28 after being found guilty in early November of seven counts including fraud, conspiracy and money laundering.

"A sentence of 40 to 50 years' imprisonment... is necessary to reflect the seriousness of the defendant's crimes," the prosecution's sentencing memorandum said.

Bankman-Fried's defense team had reportedly called for a sentence of around six years.

Prosecutor Damian Williams said following the verdict that Bankman-Fried "perpetrated one of the biggest financial frauds in American history, a multibillion-dollar scheme designed to make him the king of crypto."

A graduate of the Massachusetts Institute of Technology (MIT) and a billionaire before the age of 30, Bankman-Fried conquered the crypto world at breakneck speed, turning FTX, a small start-up he co-founded in 2019, into the world's second-largest exchange platform.

But in November 2022, the FTX empire imploded, unable to cope with massive withdrawal requests from customers panicked to learn that some of the funds stored at the company had been committed to risky operations at Bankman-Fried's personal hedge fund, Alameda Research.

Some of his closest associates testified during the trial that he was key to all the decisions that saw \$8 billion vanish from his FTX trading platform.

The star witness in the trial was Caroline Ellison, the former Alameda CEO and Bankman-Fried's on-again, off-again girlfriend.

She told the jury they had stolen "around \$14 billion" from FTX clients and that Bankman-Fried, as owner of Alameda, "directed me to commit those crimes."

That money was used to finance venture capital deals and political contributions, as well as swanky real estate in the Bahamas.

It also went toward paying tens of millions of dollars to celebrities, including Tom Brady and Gisele Bundchen, to gain their endorsement of FTX, as well as buying the naming rights for the Miami Heat's home arena.

Bankman-Fried admitted during his trial he had made "mistakes" but denied ever trying to defraud anyone.

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