

Battle of the bankrupts as FTX sues Voyager for \$446 million

Further signs of the fallout from last summer's [crypto](#) crash emerged today as one bankrupt crypto business, FTX, has sued another bankrupt crypto business, Voyager Digital for \$446 million (£361 million) as the pair battle for the scraps of their collapsed digital empires.

Voyager, which filed for [bankruptcy](#) in July, had demanded repayment of loans to FTX and Alameda, the hedge fund run by FTX founder Sam Bankman-Fried.

FTX, which went bankrupt four months later, said it duly complied, paying Voyager \$249 million September and \$194 million in October, as well as making interest payments on the debt.

But since the repayments came only weeks before FTX's collapse, the company argues they can be clawed back and used to pay off FTX creditors.

In a court filing, FTX accepted that Alameda used customer assets to help pay off its risky borrowing and lending, but suggested that Voyager had a shared responsibility.

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“Voyager...funded Alameda and fueled that alleged misconduct, either knowingly or recklessly,” the filing said.

“Voyager’s business model was that of a feeder fund. It solicited retail investors and invested their money with little or no due diligence in cryptocurrency investment funds like Alameda and Three Arrows Capital.

“To that end, Voyager lent Alameda hundreds of millions of dollars’ worth of cryptocurrency in 2021 and 2022.”

FTX initially escaped the ripple of crypto collapses that took place over the summer of 2022, which included Voyager, hedge fund Three Arrows Capital and lending business Celsius Network.

FTX initially had planned to acquire Voyager after it filed for bankruptcy, but those plans fell through when FTX entered administration itself.

FTX founder Sam Bankman-Fried was arrested in December last year. The former billionaire has pled not guilty to charges of fraud at a hearing in New York.