

Celsius Network files for bankruptcy amid continued crypto woes

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[crypto](#) lender Celsius Network has filed for [bankruptcy](#) as it becomes the latest victim of the [Bitcoin](#) price crash.

The [New Jersey](#)-based business said the move was part of a financial restructuring that would “stabilize the business.”

Celsius is the third major crypto firm to enter bankruptcy in three weeks following the collapse of hedge fund Three Arrows Capital in June and broker Voyager Digital last week.

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It comes after Celsius suspended customer withdrawals, swaps and transfers on its platform citing “extreme market conditions.”

The company said it was not requesting authority to allow customer withdrawals as part of the bankruptcy filing, throwing into doubt customers’ ability to recover money saved on the platform.

“Without a pause, the acceleration of withdrawals would have allowed certain customers—those who were first to act—to be paid in full while leaving others behind,” Celsius said in a statement.

CEO Alex Mashinsky said: "This is the right decision for our community and company."

"When we look back at the history of Celsius, we will see this as a defining moment, where acting with resolve and confidence served the community and strengthened the future of the company."

Celsius Network had 1.7 million customers with \$12 billion in assets held on its platform as of May.

Last week, Celsius reportedly faced a lawsuit by a former investment manager at the company, who claimed the firm failed to properly hedge risk and manipulated the price of its own token.

To date Celsius has not publicly responded to accusations brought by the lawsuit.

The price of Bitcoin has fallen 52% since the start of the year, wiping over \$500 billion from its market cap.