Deputy of FTX crypto king Sam Bankman-Fried jailed

A former top executive at FTX has been jailed for more than seven years over his role in the collapse of the cryptocurrency exchange.

Ryan Salame, 30, is the first deputy at the company to be sentenced following the conviction of its "crypto king" boss Sam Bankman-Fried.

FTX suddenly **went bankrupt** in November 2022 – leaving millions of users frozen out of their accounts and unable to make withdrawals.

Bankman-Fried was **jailed for 25 years** in March after being found guilty of stealing billions of dollars from his customers.

Salame was sentenced to seven-and-a-half years in prison, plus three years of supervised release, by federal judge Lewis Kaplan on Tuesday. This was more than the five years requested by prosecutors.

It came after he pleaded guilty last year to illegally making unlawful US campaign contributions and to operating an unlicensed money-transmitting business.

Financial misdemeanours

Salame, who was in FTX's Bahamas unit and was co-chief executive of FTX Digital Markets, did not testify against **Bankman-Fried**, but said he had co-operated with investigators and provided documents to assist prosecutors.

The court heard he helped the exchange's boss hide holes in its balance sheet – which ultimately led to its collapse – and was also used as a **conduit to make illegal campaign**

contributions in the hope of influencing US government policy on cryptocurrencies.

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Bankman-Fried mostly gave political contributions to Democrats and left-leaning causes, while Salame gave contributions to Republicans and right-leaning causes.

However, the funds that Salame used came from Bankman-Fried.

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Sam Bankman-Fried jailed for 25 years

Judge Kaplan described Salame's actions as "astonishing" and said he "knew precisely what he was doing".

He also criticised the defendant for withdrawing $5m (£3.9m) in cryptocurrencies out of FTX as the exchange was failing.

Judge Kaplan added: “You tried to withdraw tens of millions more. It was me first. I’m getting in the lifeboat first. To heck with all those customers.”

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Salame apologized to FTX customers and his family. He insisted he had good intentions, but added: “I fully understand that the means I sought to achieve these goals were illegal.”

Before he was sentenced, Salame said he was “beginning my path to redemption” and added: “I accept what’s next.”



Image:
Caroline Ellison, Bankman-Fried’s on-off girlfriend, is yet to be sentenced. Pic: Reuters

Three other high-level FTX executives are awaiting sentencing for their roles in its collapse.

They include co-founder Gary Wang and head of engineering Nishad Singh, along with **Caroline Ellison**, who was Bankman-Fried’s on-off girlfriend and chief executive of FTX hedge fund Alameda Research.

All three co-operated with prosecutors and testified against Bankman-Fried at his trial in exchange for potentially suspended prison sentences.