



United States House of Representatives
One Hundred Eighteenth Congress
Committee on Financial Services
2129 Rayburn House Office Building
Washington, DC 20515

February 10, 2023

The Honorable Gary Gensler
Chair
U.S. Securities and Exchange Commission
100 F Street NE
Washington, DC 20549

Dear Chair Gensler:

On December 13, 2022, the House Committee on Financial Services held a hearing about the collapse of FTX.¹ John Ray, the current CEO of FTX tasked with unwinding the organization after its collapse, testified before our Committee about his progress. We also expected to hear testimony from FTX's former CEO, Sam Bankman-Fried. However, the night before the Committee's hearing, Bahamian officials arrested him in anticipation of an extradition request from the United States.² Bahamian authorities announced that they made the arrest after being notified by the United States that it had filed criminal charges against Sam Bankman-Fried.³ Following that announcement, the U.S. Attorney for the Southern District of New York confirmed that he had filed an indictment against Sam Bankman-Fried and that the indictment would be unsealed the following morning, Tuesday, December 13, 2022.⁴

The night of Sam Bankman-Fried's arrest, Gurbir Grewal, the SEC's Director of the Division of Enforcement, released a statement praising the arrest and announced that the SEC authorized charges against Sam Bankman-Fried.⁵ On December 13, 2022, the SEC filed charges against Sam Bankman-Fried for "concealing his diversion of FTX customers' funds to crypto trading firm, Alameda Research, while raising more than \$1.8 billion from investors."⁶

¹ *Investigating the Collapse of FTX, Part I: Hearing Before the H. Comm. on Fin. Services*, 117th Cong. (Dec. 13, 2022).

² Alexandra Scaggs, *Bahamian jail for SBF?*, Financial Times (Dec. 12, 2022), <https://www.ft.com/content/b3f398c8-83e2-491d-a6de-61a1282703c5>.

³ *Id.*

⁴ US Attorney SDNY (@SDNYnews), Twitter (Dec. 12, 2022, 6:52 PM), https://twitter.com/SDNYnews/status/1602451395910803457?ref_src=twsrc%5Etfw%7Ctwcamp%5Etweetembed%7Ctwterm%5E1602451395910803457%7Ctwgr%5Ef6768373306bfd3b37863535ee63fc62692827cc%7Ctwcon%5Esl_&ref_url=https%3A%2F%2Fwww.ft.com%2Fcontent%2Fb3f398c8-83e2-491d-a6de-61a1282703c5

⁵ Statement, Gurbir S. Grewal, Director, Division of Enforcement, U.S. Securities and Exchange Commission, *Statement on Arrest of Sam Bankman-Fried* (Dec. 12, 2022), <https://www.sec.gov/news/statement/statement-arrest-sam-bankman-fried>.

⁶ Press Release, *SEC Charges Samuel Bankman-Fried with Defrauding Investors in Crypto Asset Trading Platform FTX*, U.S. Securities and Exchange Commission (Dec. 13, 2022), <https://www.sec.gov/news/press-release/2022-219>.

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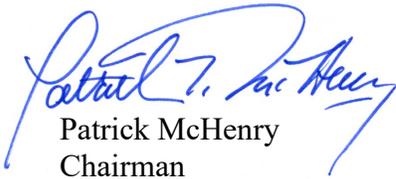
Page 2

Presumably, the SEC's Division of Enforcement did a complete investigation into the actions by Sam Bankman-Fried and presented the findings to the Commission for its review and to authorize the charges. Yet, the timing of the charges and his arrest raise serious questions about the SEC's process and cooperation with the Department of Justice. The American people deserve transparency from you and your agency. For those reasons, please produce the following:

1. All records and communications between and among any employee in the SEC's Division of Enforcement, including but not limited to Gurbir S. Grewal, for the period of November 2, 2022 to February 9, 2023, referring or relating to the charges filed against Sam Bankman-Fried;
2. All records and communications between and among any employee in the Office of the Chair, including but not limited to Gary Gensler, for the period of November 2, 2022 to February 9, 2023, referring or relating to charges filed against Sam Bankman-Fried;
3. All records and communications between and among any employee of the SEC and the Department of Justice, for the period of November 2, 2022 to February 9, 2023, referring or relating to charges filed against Sam Bankman-Fried

Please provide this material as soon as possible, but no later than 5:00 p.m. on February 24, 2023. The Committee on Financial Services has jurisdiction to oversee the activities of the Securities and Exchange Commission pursuant to Rule X of the Rules of the House of Representatives. If you have any questions, please contact Kyle Smithwick of the Committee on Financial Services Majority staff at kyle.smithwick@mail.house.gov. Thank you for your attention to this important matter.

Sincerely,



Patrick McHenry
Chairman



Bill Huizenga
Chairman
Subcommittee on Oversight and
Investigations

cc: The Honorable Maxine Waters, Ranking Member
The Honorable Al Green, Ranking Member, Subcommittee on Oversight and
Investigations