

FTX Asks Other Exchanges to Secure and Return Lost Funds

The company said funds taken from FTX were being transferred to other exchanges

FTX called on its fellow crypto exchanges for help on Sunday, pointing out that funds siphoned from the befallen exchange are being transferred to other entities through intermediate wallets.

The now-bankrupt company, led by new FTX Group CEO John J. Ray III, asked its peers to “take all measures” necessary to secure the funds so that they could be returned back to the estate overseeing the bankruptcy of FTX.

https://twitter.com/FTX_Official/status/1594354846370758657

FTX did not outright state that the funds had been stolen but rather transferred from FTX Global “without authorization.” The company also did not specify which wallet addresses the funds were linked to or the exchanges where they were being transferred.

The ill-gotten funds in question were [taken](#) from FTX a day after the company filed for Chapter 11 bankruptcy in the state of Delaware. The value of the hack was around \$650 million, according to [ZachXBT](#), a pseudonymous blockchain sleuth, [widely trusted](#) by the DeFi community.

<https://twitter.com/zachxbt/status/1591339318324654081?s=20&t=eNin3cO1IGimJMSqla3lqw>

A portion of the funds taken from FTX were transferred to two wallets, according to ZachXBT, one on [Solana](#) and another on [Ethereum](#).

<https://twitter.com/zachxbt/status/1591475246250733568?s=20&t=Wfp2HdTH1IAYqs3unXwQfA>

Some of the cryptocurrencies were subsequently bridged to other blockchains, including [Binance Smart Chain](#), [Polygon](#), and [Avalanche](#), according to blockchain explorers for the respective networks.

The Ethereum wallet linked to FTX's missing funds held 98% of its roughly \$258 million balance on Ethereum as of Sunday, according to [DeBank](#). It held 200,745 Ethereum (ETH) and 8,184.9 Pax Gold (PAXG) tokens, worth about \$238 million and \$14 million, respectively. It also held a balance of 20 other altcoins in amounts less than \$100.

While a majority of the wallet's balance was held on Ethereum, it also had \$1.7 million held on Binance Smart Chain, mostly in the form of stablecoin DAI and nearly \$4 million held on Avalanche concentrated almost entirely in Tether, another stablecoin.

It's possible that the funds could be partially recovered with the help of other exchanges. In August, Binance [froze](#) \$450,000 worth of funds that were stolen from Curve Finance, which accounted for around 83% of the roughly \$570,000 in lost Ethereum.

In April, Binance was also able to recover a portion of the funds stolen in what was later [determined](#) to be an attack by North Korean hacker cell Lazarus Group, where the group stole \$622 million from Axie Infinity on its Ronin Sidechain. Binance was able to catch \$5.8 million spread across 86 different accounts.

FTX did not immediately respond to requests for comment from *Decrypt*.