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UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK
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UNITED STATES OF AMERICA,

v. 22 Cr. 673 (LAK)

NISHAD SINGH,

Defendant.

Sentence
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New York, N.Y.
October 30, 2024
3:00 p.m.

Before:

HON. LEWIS A. KAPLAN,

District Judge

APPEARANCES

DAMIAN WILLIAMS
United States Attorney for the
Southern District of New York
BY: NICOLAS T. ROOS
NATHAN M. REHN II
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COOLEY LLP
Attorneys for Defendant
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RUSSELL CAPONE
ANUPAM DHILLON
JORGE SARMIENTO

Also Present: Special Agent Kristin Allain, FBI

(Case called)

MR. ROOS: Your Honor, good afternoon. Nicolas Roos, Thane Rehn, Danielle Sassoon, Danielle Kudla, from the United States Attorney's Office, for the government. We're joined at counsel's table by Special Agent Kristin Allain on behalf of the FBI. Some of Allain's colleagues are also seated in the back.

THE COURT: Good afternoon, everybody.

MR. GOLDSTEIN: Good afternoon, your Honor. Andrew Goldstein for the defendant, Nishad Singh, and I'm here with Russell Capone, Anu Dhillon and Jorge Sarmiento, all from Cooley LLP.

THE COURT: Good afternoon.

Mr. Goldstein, have you and your client had the presentence report for the necessary period?

MR. GOLDSTEIN: We have, your Honor.

THE COURT: Mr. Singh, have you read the presentence report?

THE DEFENDANT: I have, your Honor.

THE COURT: Have you read all of it, including the proposed terms of any supervised release that I might impose?

THE DEFENDANT: Yes.

THE COURT: OK. You may be seated. Thank you.

Are there any unresolved objections to the presentence report that are material to this proceeding?

Mr. Roos.

MR. ROOS: I don't believe so, your Honor. There was one issue I was discussing with Mr. Goldstein, but I think the government believes the guidelines, both the factual allegations and the guidelines in the PSR are correct.

THE COURT: OK.

Mr. Goldstein.

MR. GOLDSTEIN: We don't think there are any issues that are material to sentencing, your Honor.

THE COURT: OK. Thank you.

Then I adopt the presentence report and the guideline computation and range it contains.

I have had the benefit of a mass of material in connection with this sentencing.

There's the presentence report;

I've reviewed the amended and now partially signed consent preliminary order of forfeiture;

I have a letter from the Cooley firm, attaching a letter from Mr. Ray of FTX;

I have a letter from McCarter & English on behalf of a client of that firm, which I believe counsel have both seen;

I have the government's letter of October 23, which is probably the longest 5K letter I ever saw; and

A submission on behalf of the defendant that fills a looseleaf binder.

Is there anything else that I should have been aware of that I haven't mentioned?

MR. ROOS: No, your Honor.

MR. GOLDSTEIN: That's everything, your Honor.

THE COURT: OK. Thank you.

I will, therefore, hear from Mr. Goldstein.

MR. GOLDSTEIN: Thank you, Judge Kaplan.

It has been an honor for me and for my colleagues who are here today to be able to represent Nishad Singh over these past two years. He is a remarkable individual, as your Honor saw firsthand in his testimony, and as reflected in the many letters submitted on his behalf.

Nishad is joined in court here today by several members of his family and his extended family -- his brother Malhar, his parents Gururaj and Anu, his fianceé Claire and members of her family as well as uncles, aunts and college friends and many people he calls cousin even if not related by blood. They all had to travel here, many from across the country, and they're here because they know the kind of person Nishad is. They understand what he did and why we're here, and they love him unconditionally. And they want to make sure that the Court sees the incredible support network that Nishad has, which is a testament to who he is.

Your Honor, what I want to spend most of my time today talking about is what we think is a critical element that

underlies the Court's consideration of the Section 3553(a) factors in this case. It's an element that goes beyond Nishad's exemplary cooperation and assistance to the government, which we'll talk about as important, but is not, we think, the main issue here. And it goes beyond his personal characteristics, which truly are extraordinary and which we'll also address. But the element that we think the Court should focus most on is Nishad's role in the underlying offenses. That is what separates him most significantly from the other cooperators in this case and especially from Caroline Ellison, whom the Court sentenced to a period of incarceration.

There's no question that Nishad pled guilty to serious offenses, and he does not minimize that conduct in any way. Indeed, as the government spelled out in its own submission, it was Nishad who brought to the government's attention most of the conduct that was the subject of his plea. But it is critical for the Court to view what he did, his conduct, with precision in the context of all that happened here, and that's why we laid it out in some detail in the lengthy sentencing submission that you referenced.

The bottom line is that the Court rightly referred to this case as one of the greatest financial frauds ever perpetrated in this country; it was. But as we and the government make clear in the submissions to your Honor, the overwhelming majority of the conduct that made it such a

monumental crime took place before Nishad ever became involved. At the heart of this case is a series of decisions to steal billions of dollars in FTX customer money and use that money to shore up Alameda and to pay Alameda's debts. Those decisions were made by Sam Bankman-Fried with the necessary complicity and assistance of Caroline Ellison, and they did it over a period of years. And all of that happened before Nishad became involved, before he knew what was going on.

From his first days as an entry-level engineer at Alameda in late 2017 all the way until September of 2022, just two months before FTX collapsed, Nishad did not know about the theft of customer funds, and he did not participate in it. It was during that time period, the months and years before he knew what was going on, that nearly all of the billions of dollars that are at the heart of this case were stolen.

As the trial testimony showed and the evidence showed, it was Bankman-Fried, with Ellison's assent, who made the decision in 2021 to use a billion dollars in customer funds to buy back finance stock. Nishad had nothing to do with that. He had nothing to do with the decisions to spend hundreds of millions of dollars on real estate, on stock in Robin Hood, on investing in K5, a company called Genesis Digital Assets. Nishad was in the dark, was not in the inner circle, when all of that happened. He did not know that any of those purchases were being made with customer money. And as the government

made clear in its submission, Nishad also had nothing to do with the most critical set of decisions in this case, the decisions by Bankman-Fried and Ellison in June of 2022, in the wake of the crypto crash, to pay back Alameda's lenders with billions of dollars in customer funds. That was their crime. That was not Nishad's crime.

In fact, when you look at what Nishad did during that whole period before September of 2022, he was one of the only voices in the company pushing Bankman-Fried to restrain from spending, and he didn't do that because he knew or appreciated that they were stealing customers' money. He didn't know. The reason he pushed back is because, in his view, all of that spending violated the purpose of the whole enterprise. To Nishad, the main reason they were there, the main reason they were trying to make all this money, was to be able to donate it in a way that would ultimately make a positive difference in the world.

Look, I get that that sounds corny, and it could be hard to believe, and it is obvious that there were many people who professed an interest in effective altruism who were using it as a cover and that didn't really believe in it. But to Nishad, as the letters to the Court demonstrate, it was the real thing. His belief and commitment to doing good with the money that he made, that's what drove him to work around the clock at FTX. That's why he was there. And it wasn't his role

in any way to evaluate or even to weigh in on spending decisions. Sam Bankman-Fried made sure to remind him of that when Nishad sometimes challenged him.

His job was to manage the engineers. He wasn't the CEO. He wasn't the COO or the CTO, like Gary Wang. He was subordinate. He was subordinate to Sam. He was subordinate to Gary. And both of those individuals made that clear to Nishad. And that made it all the more exceptional, for someone in Nishad's position, when he saw spending that he thought was wrong, to be the one person at the company to say something to Sam Bankman-Fried, even in the face of humiliation in front of his colleagues. And that brings us to why we are here, to September of 2022, when Nishad learned for the first time what Bankman-Fried, Caroline Ellison and Gary Wang had known for years -- that Alameda had been using billions of dollars in FTX customer funds. Nishad will forever regret the role that he played between then and when he left the Bahamas shortly before the bankruptcy two months later.

That said, he did many things during that time period that are to his credit. He fought against additional spending by Bankman-Fried. He successfully reversed upwards of $200 million in spending during those final two months, which was exponentially more than the expenditures that he ultimately signed off on and are the basis for his plea. He took several additional concrete steps to protect customer funds, and as

your Honor heard in his testimony, when customers started to withdraw money from the exchange in early November, Nishad refused to go along with the lies that Sam Bankman-Fried told to the public. But, and the reason we are here is, because despite learning of the fraud, Nishad signed off on company expenditures that he knew that necessarily had to be coming from customer funds at that point. And most regrettably, he completed the close on a house that his friends had lined up for him to purchase.

To be clear, Nishad kept nearly all of his assets on the exchange, and they are now or soon will be in the custody of the debtors or the government and will be used to make customers whole. But it was a deep mistake for Nishad not to back out of the home purchase, and he's going to forever be ashamed of that decision. And during that same time period, Nishad also allowed himself to be used as a straw for a substantial amount of campaign donations.

Both we and the government have addressed his role in the campaign finance offense at length in our submissions, and I don't want to go into great deal here. Nishad's conduct for that element of this case was wrong, full stop, and he has accepted responsibility for it. But again, for this set of conduct, he could not be more differently situated than the others who were involved, than Sam Bankman-Fried or from Ryan Salame, both in the level of his involvement and in his motive

for allowing himself to be used in the way that he was.

Bankman-Fried, as you know, used the donation scheme to amass power and influence for himself. Ryan Salame, likewise, was motivated by self-aggrandizement, touting himself as a Republican mega donor and traveling the country to meet with politicians. Nishad, on the other hand, gained nothing from engaging in this offense. He participated because Sam Bankman-Fried and others whom Nishad placed too much trust in asked him to play the role that he did. Nishad actively disavowed any publicity or benefit from his donations, and for some time the donations indeed came from his own money and were from noble purposes. But his error in judgment came when he did not push back in 2022, when he learned that his account was being funded by Alameda and when he saw that the donations that were lined up by others were becoming less in line with his own values. And that was wrong. But it is wrong on an entirely different level when contrasted with the actions and the cynicism and the self-aggrandizement of Bankman-Fried and Salame.

And of course, as the government makes clear in its submission, Nishad himself was the one who brought all of this conduct to the government. The government likely would never have been able to uncover it and to bring Salame to justice, to rely on it during Sam Bankman-Fried's sentencing without the evidence that Nishad brought forward right at the beginning of

his cooperation.

As the Court knows, Nishad has taken full responsibility for all of the actions that give rise to why we're here today, and he has devoted his energies over the past two years to try to make things right. And he will continue to do so. That is his absolute commitment. But we ask the Court, in imposing sentence, to be clear-eyed about his conduct.

Nishad's role, across the board, was dramatically more limited than that of his coconspirators. His conduct was not in the same ballpark as the others, and his sentence should reflect as much, even before the Court takes into consideration his exemplary cooperation and his personal characteristics.

Let me turn to the Section 3553(a) factors, starting with the history and the characteristics of the defendant. And this factor, too, is unusual here and is a powerful reason for leniency in this case.

Nishad recently turned 29 years old, and he has packed into that brief number of years a life of generosity toward others, unselfishness, good works and charity. As all these letters came in on his behalf for us to present to your Honor as part of the sentencing, letter after letter attesting to Nishad's good character, his moral compass, his compassion for others, he asked us if it was too much; that we should tell people not to write.

The reason that courts take into consideration the

history and characteristics of a defendant is because the imposition of the sentence reflects not only the conduct but the person. And a person who has lived a meaningful life, in service of others, should be sentenced in a way that reflects that character. And that is Nishad.

As counsel, we saw it for the first time when we met with him, at the very beginning of this case, in the wake of the FTX collapse. While he was trying to hold it together mentally, under the most difficult of circumstances, all Nishad wanted was to find ways to help, to be of service, to help recover assets for victims, to help figure out who was responsible for a massive hack of FTX that happened in its closing days, to help the government uncover and understand everything that had happened here.

As your Honor knows, most cooperators come to the government out of self-interest, calculating that that's the best way to receive a lesser sentence. But that is not why Nishad started to cooperate. He started to cooperate the moment he was able to after leaving the Bahamas, and he came to the government because he thought that it was the right thing to do. And the letters that the Court has seen show how Nishad invariably thinks of others before himself.

He is, as we said in our submission, an uncommonly selfless individual. He made a commitment at a very early age to use his talents and his energy in ways that would help

others and contribute positively to society, even at times where it came at great personal sacrifice. Your Honor has seen the detailed accounts in the letters of Nishad's good works: How he reached out to a socially isolated girl with developmental disability, woke up day after day at 5 a.m. to run with her and to be her friend; how he took a young unhoused individual with severe medical issues to the hospital and stayed by his side until he received care; how he quietly donated what he earned from a college internship in order to purchase bed nets to help with malaria in Africa, and did that without telling other people.

Your Honor saw how he was beloved by his colleagues at FTX precisely because he put their needs above his own. Eighteen former FTX and Alameda employees wrote letters for Nishad, even though they all knew that he played a role in deceiving them. And they wrote because they want to be sure the Court knows what an exceptional person Nishad is.

One of the letters that your Honor received noted that you can judge someone's character by how he treats those who can do nothing for him. And by that measure, Nishad's character, his soul really is unimpeachable. It had its moments of weakness, like anyone else, but it is fully intact.

To give you one example, Christian Drappi, who testified at trial, reached out to me and to my colleague, Russell Capone, with a letter in support of Nishad that we

didn't ask for -- it just showed up in our inboxes -- and it described the young man who we've come to know in these last two years. Mr. Drappi wrote:

Unfortunately, it was all too common for higher ranking FTX employees to treat the Bahamas staff with much less than the respect they deserved. I'm proud to say that Nishad was the opposite. That is part of why he was so beloved by everyone at the company.

You saw as much in the words of FTX staff who themselves wrote letters in support of Nishad, from the people who cooked food for the company, who cleaned apartments, who served as physical trainers. All of them attested to Nishad's goodness. I don't know if there's any better indicator of Nishad's character than the words of these individuals who Nishad had little to gain from but who he treated as well as he treated the most senior members of FTX's staff. We submit that the Court's sentence here should reflect this extraordinary character and this record of good works that is remarkable for someone who is only 29 years old.

Now let me turn to the other Section 3553(a) factors, which include the nature and circumstance of the offense, the need to promote respect for the rule of law, and deterrence.

We don't think specific deterrence is a factor here. There's no question that Nishad is not going to commit another crime, but I do want to directly address the nature of the

offense, respect for the rule of law and general deterrence. And here's where the clarity about Nishad's role is so critical, because the Court is faced with a situation where the offenses overall were indeed monumental and where we do not question the importance of sending a strong deterrent message. But this is also a situation where Nishad was a subordinate employee, whose role in the offenses was far more limited than the others', where he joined the main conspiracy after nearly all of the criminal conduct had occurred, and where the other conduct subject to his plea only came to light because of Nishad's cooperation with the government.

For a defendant in that situation, the deterrence calculation should be different than it is for others with greater involvement and responsibility. A sentence of time served for Nishad under these circumstances, we submit, would further respect for the rule of law and the interest of justice. It would show that even when your own role in an offense is limited and your potential exposure is lower than the others', but you decide, as he did, to do the right thing, and without any hesitation to cooperate with the government, that you receive meaningful credit for doing so.

We submit that for Nishad, there is no "get out of jail free" message for a sentence of time served. The message the Court would send is to give an incentive to employees with lower levels of culpability who get caught up in wrongdoing, an

incentive for them to come forward. As the Court knows, I was an assistant U.S. attorney at the Southern District for a long time, and that kind of message, to this kind of a defendant, is an essential part of the government's cooperation program, and it is an essential part to furthering the interest of the rule of law.

To be clear, there have been and will continue to be real penalties for Nishad here. He has forfeited and given up the right to enormous amounts of assets. He never cared for money for himself. He didn't give a split second's thought to turning everything over, but this has meant that Nishad has forfeited and given back tens of millions of dollars in assets that he actually may have had a legitimate legal claim to. He forfeited, for example, his shares in Anthropic, which he purchased well before he participated in any criminal conspiracy. He's also given back to the estate hundreds of millions of dollars in crypto holdings, the vast majority of which were purchased well before he knew about or participated in any illegal activity. He did this because it was the right thing to do, regardless of the details of his involvement and his plea. But this meant that he has and is in the process of turning over effectively all of whatever he's earned in his life. He has had to completely start over.

He has also suffered very significant and irreparable reputational harm. In the wake of his cooperation, Nishad has

been publicly accused of having a far greater role in the offenses than he did. The press reported that Nishad personally walked away with $500 million. That was false, as your Honor knows. The press also reported that Nishad wrote the so-called back door into the FTX code in order to be able to steal customer money, when the truth, as was clear during trial and as your Honor knows, is that Nishad wrote code for an entirely legitimate purpose, and it was then Bankman-Fried and Wang who later changed that code and then, without his knowledge, started using those changes to be able to steal customer funds. But as a cooperating witness for the government, Nishad had no ability to respond, no ability to make the truth known until the evidence came out at trial. And now there are hundreds of articles about this case that are still available online today that falsely describe Nishad's role and conduct.

On top of that, cooperating in the way that Nishad has has been a full-time job by itself. He met with the government 25 times. Multiple regulators have reached out and have gotten his assistance. They've even done so in the last month. And when they reach out, Nishad drops everything. He digs into the records that he still has access to. He meets with his counsel. He tries to piece together what he remembers, and then he spends hour after hour with regulators and investigators. And he's done that again and again and again.

He's provided meaningful assistance not just to DOJ, but to the SEC, the CFTC, three different state regulators, the bankruptcy estate and the plaintiffs in the MDL class action. And his assistance has been critical to unraveling multiple aspects of what happened with FTX, which serves the interests of law enforcement, the public, the rule of law and the ability of the estate and the government to recover assets. And again, a sentence of time served here would encourage this kind of laudable, across-the-board cooperation for somebody in Nishad's position, who might otherwise be deterred from making the decision to cooperate with the government.

Your Honor, everything about this case has been tragic and has been devastating for so many people. There are so many victims here, the many customers at FTX who lost so much money, the innocent employees who lost their jobs and faced the stigma of having worked at FTX. All of that is tragic. And the fact that Nishad Singh, a young man who devoted his whole life to helping others, to relieving suffering in the world since even before elementary school, the fact that he got caught up in Sam Bankman-Fried's criminal enterprise, that, too, is a tragedy.

What happened with FTX and the knowledge that he played a part in nearly destroyed Nishad. But the Court should look at what he's done since the moment he got on the plane and left the Bahamas. He has done everything right, at enormous personal and family sacrifice. He has rebuilt his life. He

found important work that he is excelling at, becoming an invaluable employee. He volunteers at a daytime sanctuary for the unhoused in San Francisco and has become a true role model there. In his evening hours, he's building software for an affordable housing project, and he's looking forward to his wedding with his fiancée Claire.

The Court's sentence under the Section 3553(a) factors should reflect not only the conduct which we've discussed and the person but also what the person has done to move forward, to rehabilitate. And here, it's impossible to say that Nishad could have done anything better than what he has done.

I just want to close by sharing one thing about those first few months that we had representing Nishad during the most intense periods of his cooperation with the government.

Every time Nishad would meet with the government, he would fly across the country and come to our office to prepare. But he never did that alone. His father, who is in the courtroom today, would fly with Nishad every time, would come into our office every day, and would sit in the conference room directly across from us for days on end, just sitting there, so that his son knew that he was right across the way, that he was there. Nishad's father was at our office so much that he became on a first-name basis with the barista in our office's cafe, more than most of us can say. And he did this because he couldn't, and wouldn't, leave Nishad alone. And on the one or

two occasions when his dad could not figure out a way to be there, Nishad's brother and his fiancée Claire came out and did the same thing.

Mr. Capone and I have been doing this for a long time, both as prosecutors and as defense lawyers, and we've never seen anything like it. They were there for Nishad to do the hard, loving work of helping him put his life back together, which they've all done together, bit by bit, day by day.

Nishad was on the right path long before he got caught up with Sam Bankman-Fried and FTX, and with all of this love and support, he is on the right path again. We ask the Court to allow that to continue and to recognize all of these very unique circumstances that are present here.

Thank you, your Honor.

THE COURT: Thank you.

Mr. Singh, you have the right to speak. Is there anything you'd like to say?

Whenever you're ready.

THE DEFENDANT: Your Honor, thank you for allowing me the opportunity to speak today.

I'm overwhelmed with remorse for the harm that I participated in and I've caused to so many innocent people. The two months before and the two months after FTX's collapse were the hardest of my life. I made some choices I'm proud of, but I made many, many others that I'm deeply, deeply ashamed

of. I spend a lot of time thinking about what all I should have done differently in that time, but there is much less to be uncertain about in how I should have acted in all of the years prior.

For nearly my whole professional career, I'd looked up to and I'd supported Sam. And I did so even though I'd seen very clearly, time and again, how he could be deceptive and self-serving. Even before I learned of the fraud on customers, I had compromised on what I thought was right, excused what was so clearly wrong and participated in actions that I knew were deceptive. I alone bear responsibility for my actions and inactions.

So many other good people have suffered as a result of what I took part in, employees who showed me love, trust and kindness, customers who relied on us to safeguard their financial futures and the people of the Bahamas who embraced us. All of them have paid for my mistakes. They lost their money and so much more. I strayed so far from my values, and words cannot fully express how sorry I am to them.

I can't undo the damage I've caused and I don't expect forgiveness, but I am committed to making amends in safe, concrete and non-grandiose ways. I want to be someone who contributes positively to society, someone who those I've harmed, all the people I previously mentioned, could eventually see as having made earnest efforts to right these wrongs.

I'm grateful to the government for giving me my first chance at this. Aiding in their investigation gave me a sense of purpose and a path to help when I needed it most. But I still have an enormous debt to society that I need to repay and a mostly full life ahead of me with which to try to do so. Over the past two years I've been reflecting on, and I've been trying to live, such a life, one that is a life of tangible and robust good. I've come to see the importance of direct actions over abstract fulfillment of ideals. Trying to be present, helpful and supportive to those in my immediate community has grounded me and has given me new direction.

In this time, I've been fortunate to have the support of my fiancée Claire and her wonderful family, my family and friends from all times in my life. They have stood by my side despite everything, even when I was terrified that they had every reason not to. Their unwavering support has been a source of strength, and I aspire to be worthy of their love.

Your Honor, I accept the consequences of my actions and the judgment that you will pass. I hope that in time my future actions will demonstrate not just to you but to all of those that I've harmed my commitment to making amends.

Thank you.

THE COURT: Thank you.

Mr. Roos.

MR. ROOS: Yes, your Honor.

THE COURT: I take it you have a motion.

MR. ROOS: Judge, for starters, the government moves for the Court to sentence Mr. Singh in light of the factors set forth in Section 5K1.1(a) of the sentencing guidelines, 18 U.S.C. 3553(e).

THE COURT: And that's because.

MR. ROOS: Because of the substantial assistance that's set forth in our letter and that I'll be elaborating on shortly.

THE COURT: Granted.

Go ahead.

MR. ROOS: Thank you, your Honor.

As your Honor observed, we submitted a lengthy letter setting forth Mr. Singh's role in the offense and his cooperation. I'm not going to reiterate all of the points here today, but I do want to focus in particular my remarks on the cooperation in this case.

The government's case was built on the testimony of cooperating witnesses, not just at the trial but in bringing the case. The case was brought before much of the evidence -- documentary -- had been amassed, and that is due to the role of Mr. Singh, and others, coming forward. And I want to focus on his conduct.

Mr. Singh made the decision to come in immediately. He didn't wait to see who else was cooperating. He didn't wait

to see what the evidence looked like. He didn't wait for a pitch from the government, threatened charges, anything like that. He came in immediately. He took responsibility for the fraud on customers and then proceeded to incriminate himself, over a series of meetings, in involvement in crimes that the government had not yet become aware of and, in fact, had no leads at that point. And he did that not just by being truthful in interviews but by giving us documentary evidence that we described in our submission that the government did not have and likely never would have.

Mr. Singh provided this information in a number of ways that were helpful to the government. He did it by describing detailed conversations with Mr. Bankman-Fried. For instance, as the Court heard at his trial testimony, from the beginning, Mr. Singh described a conversation he had with Bankman-Fried on the balcony of a penthouse apartment, in vivid terms, describing the back-and-forth of the conversation, which established that Bankman-Fried knew the size of the debt that FTX was in, the fact that it was not able to cover the customer deposits and that it was a problem that it was continuing spending. That was a conversation that was not otherwise documented or recorded but the government relied on heavily in its case and would not have otherwise been able to prove but for Mr. Singh volunteering it.

Another example is the information on the massive

campaign finance violation scheme perpetrated belie Bankman-Fried, Ryan Salame and others. That's a whole course of conduct that was totally unknown by the government, was brought to our attention exclusively by Mr. Singh and likely would never have been discovered or would only have been discovered by the detailed tracing of financial records, which would have taken months, if not over a year, to do without the help of Mr. Singh. He provided information about a securities fraud scheme that the government was not otherwise aware of that was set forth in our submission. He provided Signal chats that were set to auto delete which would otherwise have been gone without his cooperation. And all of that happened in the very few first weeks and months after FTX's collapse -- so not in the course of preparing for trial or after he had pled guilty, but while his status was still uncertain; he came forward without any reservation and provided cooperation. And that was necessary to bring the charges and bring them quickly.

Now, I was struck thinking about this moment in time when I was hearing Mr. Goldstein speak and talking about the ways in which Mr. Singh was not involved in some of the conduct, and I was struck by the thought that it could have been very easy for Mr. Singh to have denied everything. He could have said I didn't know, there's no evidence I was involved in any of these things, because a lot of the ways he inculpated himself in these proffers and interviews was by

describing conversations which were not otherwise documented or recorded.

He didn't have to disclose the campaign finance scheme. He didn't have to disclose his conversations with Bankman-Fried, and you could imagine a different person approaching the situation and choosing the path of denying, deflecting responsibility, minimizing their own role. And I think that the cooperation here was so important and what Mr. Singh should get credit for is the way he approached this from the outset, in terms of immediately accepting responsibility for his role in defrauding customers. And it's important generally, I think, to emphasize that cooperating witnesses need to come forward and be candid from the outset. And generally, as Mr. Goldstein alluded to, that's important for incentivizing cooperation in the future.

The way I think about this is there was a fork in the road in effect at the beginning of the case where Mr. Singh could have chosen significant minimization but he chose substantial assistance. And that was critical to the government's case. And I think as the Court considers the message that's sent in such a significant financial fraud such as this one, in the same way that it considers general deterrence, it should think about the message that can be sent in sentencing a cooperating witness who came forward, who could have fought the charges, who could have fought the involvement

in the conduct, but instead chose immediate cooperation, and think about how that could incentivize cooperation in the future. And here, I think leniency and recognition of Mr. Singh's cooperation would send such an important message.

You know, one other comment I want to make before I sit down. This has to do with the time I spent and the rest of the team spent with Mr. Singh in interviews and preps between FTX's collapse and Mr. Bankman-Fried's trial. And I'll say that throughout that period, Mr. Singh expressed extreme remorse, great remorse, for not just how things had ended but how things had taken place. And it was something that he clearly was really grappling with that came through and, I think, set him apart, the emotional aspect to it, that I found genuine, full-throated and weighty. I share this because in case it wasn't clear from our submission, it clearly has really weighed on him, and I believe that has been a motivating factor in his cooperation. Of course, people think about leniency that can come from cooperation. But for Mr. Singh, it was also clear that he wanted to right a wrong or at least start to make that effort and do the right thing. And that's why he came in the door just shortly after FTX's collapse.

Thank you.

THE COURT: Thank you, Mr. Roos.

Mr. Singh, please stand for the imposition of sentence.

I'll start by reiterating the fact that this may have been the greatest financial fraud in American history, and it's a very, very serious crime. But I'm entirely persuaded from your testimony at trial and what I've learned from the advocacy of both Mr. Goldstein and his colleague and the government that your involvement was much more limited than certainly Bankman-Fried and Ellison; that it came relatively late in the day; that you were a young man in a situation with a somewhat older person, Bankman-Fried, who was charismatic, demanding, deceitful, and with whom you had a long relationship, particularly with his brother, but with his family and with him. And I recognize how hard it would have been for anybody coming to the realization that you came in September of 2022 to have even begun to know what you should do.

In moments of uncertainty like that, especially moments in the life of young and inexperienced people, without exposure to the world that the lawyers in this room have long been exposed to, I imagine you had no real idea of what to do except I'll get better. It's not an excuse, but it's something that I think I understand.

And then something like eight weeks later, the crisis erupted, in public, in full view, and you then realized the only responsible thing to do, which is what you did. You didn't try to figure out what was the spectrum of options and which ones best served your personal self-interest. You knew

that it was wrong. You had known it was wrong, and you tried to help.

Now, I'm not foolish enough to think that there was no self-interest involved. Obviously there must have been, but you did the right thing. You very quickly, within days of the bankruptcy, told the truth, and what's even more telling is the extent to which you immediately and truthfully, as far as I can see, fully unburdened yourself to the government about the wrongdoing of which you were aware and they quite clearly were not and that were not really implied by what had come to the public attention at the time of the bankruptcy filing and right around then. So that kind of underscores for me that there was not only self-interest but a serious moral element to what you did, and you are entitled to a lot of credit for that.

Your cooperation in this case has been remarkable. You're not the only one who has cooperated in a remarkable way, but you certainly are a very important cooperator who has contributed to what, to me, seems an appropriate result all around. And I think the point that's been made, both by your counsel and by Mr. Roos, is that as important as setting examples of defendants who have been culpable in great wrongdoing by imposing punishments that get people's attention, it is equally important to take due account of the fact that you can go too far in doing that, by which I mean being so harsh, so taken with the enormity of the offense, that you

impose a sentence that discourages others from doing what you did. And I don't intend to do that.

Your case is not the case that Ms. Ellison's was. She was involved from the beginning. She knew for years what was going on. She got plenty of credit for cooperation, but you deserve more.

For that reason and others, it is the judgment of this Court that you be committed to the custody of the attorney general of the United States, or his designee, for a term of imprisonment of time served on each count, the terms to be served concurrently; that you thereafter serve a term of supervised release of three years; and that you pay the mandatory special assessment of $600.

It is further adjudged that you shall forfeit to the United States the sum of $11,20,000,000 jointly and severally with the codefendants, as the term "codefendants" is defined in the amended consent preliminary order of forfeiture, as to specific property money judgment that I've signed already and will refer to in my further remarks as the preliminary order, as well as all of the specific property, as that term is defined in the preliminary order or as more specifically provided in the preliminary order.

The Court declines to order restitution based on my finding that determining complex issues of fact related to the cause and amount of the victims' losses would complicate and

prolong the sentencing process. I instead grant the government's motion to authorize the United States to compensate victims with finally forfeited assets through a remission process, as restitution would be impractical in this case.

The term of supervised release shall be subject to the mandatory, the standard and the special conditions of supervision set forth at pages 29 to 42 of the presentence report, which you have told me you have read. To the extent that the special conditions are not imposed for entirely obvious reasons, they are imposed for the reasons summarized in the presentence report.

Does either counsel wish to have me read out the conditions on to the record?

MR. GOLDSTEIN: No, your Honor.

MR. ROOS: No, your Honor.

THE COURT: OK. Thank you.

I advise you that to whatever extent you haven't previously waived it, you have the right to appeal from the judgment imposing this sentence. If you wish to appeal, you must file a written notice of appeal with the clerk of the district court no later than 14 days after the date on which judgment is entered on the docket, which is likely to be, I think, tomorrow. In the event you wish to appeal and you can't afford to pay the fees necessary to do so, you may apply for

permission to appeal as a poor person. If that application were granted, you would be permitted to appeal without payment of the fees, and if you couldn't afford a lawyer, a lawyer would be appointed for you at government expense.

You may be seated.

I have two other things to say.

The first is to express appreciation to counsel on both sides for very illuminating and very helpful sentencing submissions, however long they were.

And I would like to say to Mr. Singh's parents -- and this is purely personal; this is not a judicial judgment of any kind -- I don't see anything you did wrong.

OK. Thanks, folks.

(Adjourned)