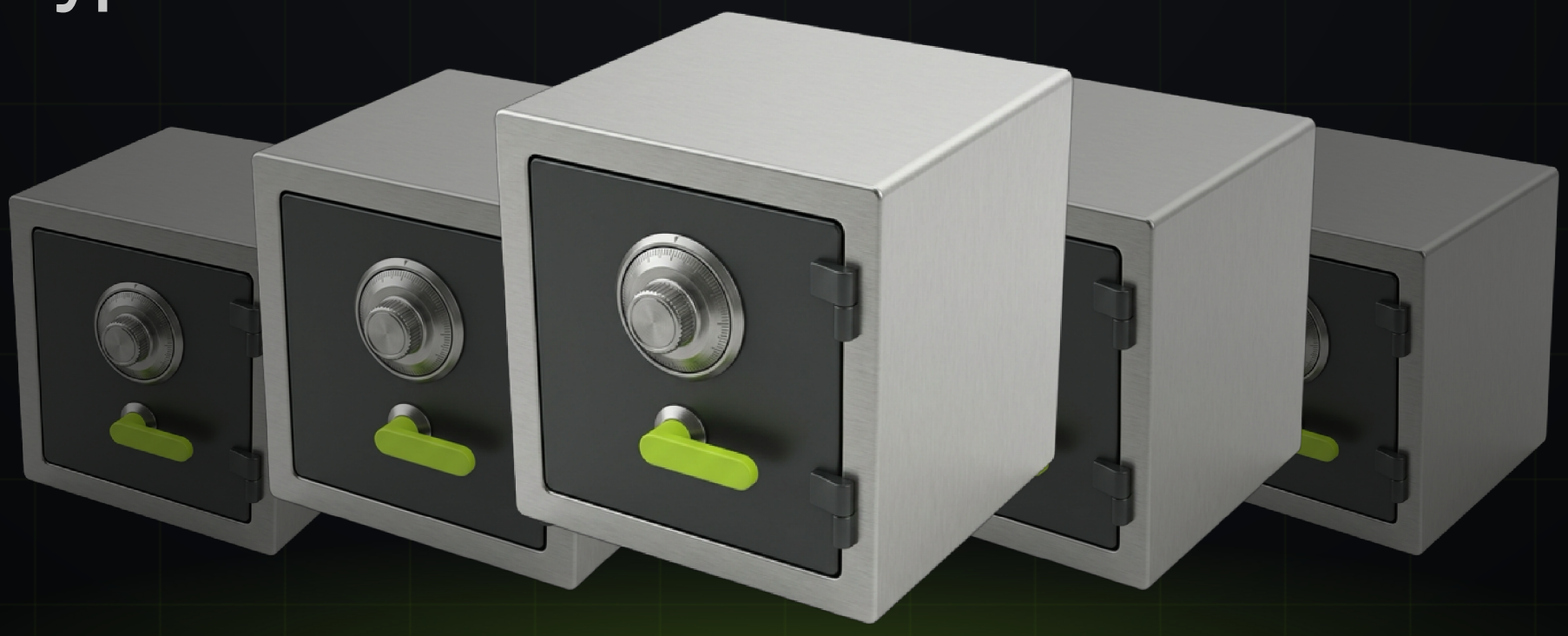
LESSON 014 THE FULL BREAKDOWN

# THE KEYS MAP

The Binance hack in five numbers, from Binance's notices, the FBI and the tracking firms, plus a quick check of where your crypto sits.



ASSETWISP
SMART MONEY, SIMPLIFIED!

THE MAP

# The hack in five numbers

In late October attackers drained Binance's hot wallets, most of it in about 20 minutes (TRM Labs). Two days later the FBI said North Korea did it, the group it calls TraderTraitor. Binance says users will pay $0.



NUMBER 1

## The theft

NUMBER 2

## The fund

NUMBER 3

## The insurance

NUMBER 4

## The bitcoin

NUMBER 5

## The blank

NUMBER 1

# The theft



**$6.3B**

taken from Binance's hot wallets, Binance's own total

**$1.5B**

the old record, Bybit in 2025, which the FBI also pinned on TraderTraitor

That makes it the largest crypto theft on record, about 4.2× the old record.

Binance's first lead: a compromised DevOps engineer's laptop gave the attacker access to a service that could send withdrawals. It says it has seen no sign that wallet private keys leaked.

NUMBER 2

# The fund



**$1B**

in Binance's emergency fund for users (SAFU) before the hack (Reuters, CoinDesk)

**6.3×**

how much bigger the hole was than the fund

This is the one most headlines skip. Binance says users won't pay, and says it has covered about 95% so far, from part of SAFU, its futures insurance fund and its own treasury.

Its own terms: "Binance shall not be obliged to insure the Digital Assets." SAFU is Binance's choice, not a guarantee.

NUMBER 3

# The insurance



**$0**

of FDIC or SIPC cover for coins on an exchange

FDIC insures bank deposits up to $250,000 per depositor, per bank, per ownership category. Crypto is on its not-covered list.

SIPC covers up to $500,000 at a failed broker, but not a digital asset that isn't a security, and never a fall in price.

Celsius, 2023: a US bankruptcy judge ruled that coins in its Earn accounts had become Celsius's property, because its terms said so.

NUMBER 4

# The bitcoin

**18,270**

bitcoin taken, worth about $1.48B (Elliptic), split across a handful of wallets

**$3B**

in stablecoins frozen by their issuers (Binance); Tether froze its first batch within 56 minutes

Frozen isn't returned. And nobody can freeze bitcoin.

This is the one I'd watch: if those bitcoin move, the laundering starts. Tracking firms say the attackers have already turned other stolen coins into more bitcoin (press: Elliptic).

NUMBER 5

# The blank



**20**

minutes it took for most of the money to leave, and still no full report on how they got in

Binance promised technical findings within about two days. Its first lead is a compromised DevOps engineer's laptop.

Watch for: the full post-mortem, any arrests or seizures, SAFU being topped back up, and whether those bitcoin move.

RISK

# The honest part

Three things the headlines skip:

**Recovery scams**

**$1.4B**

IN REPORTED RECOVERY-SCAM LOSSES IN ONE YEAR (FBI)

**BNB**

**-8.1%**

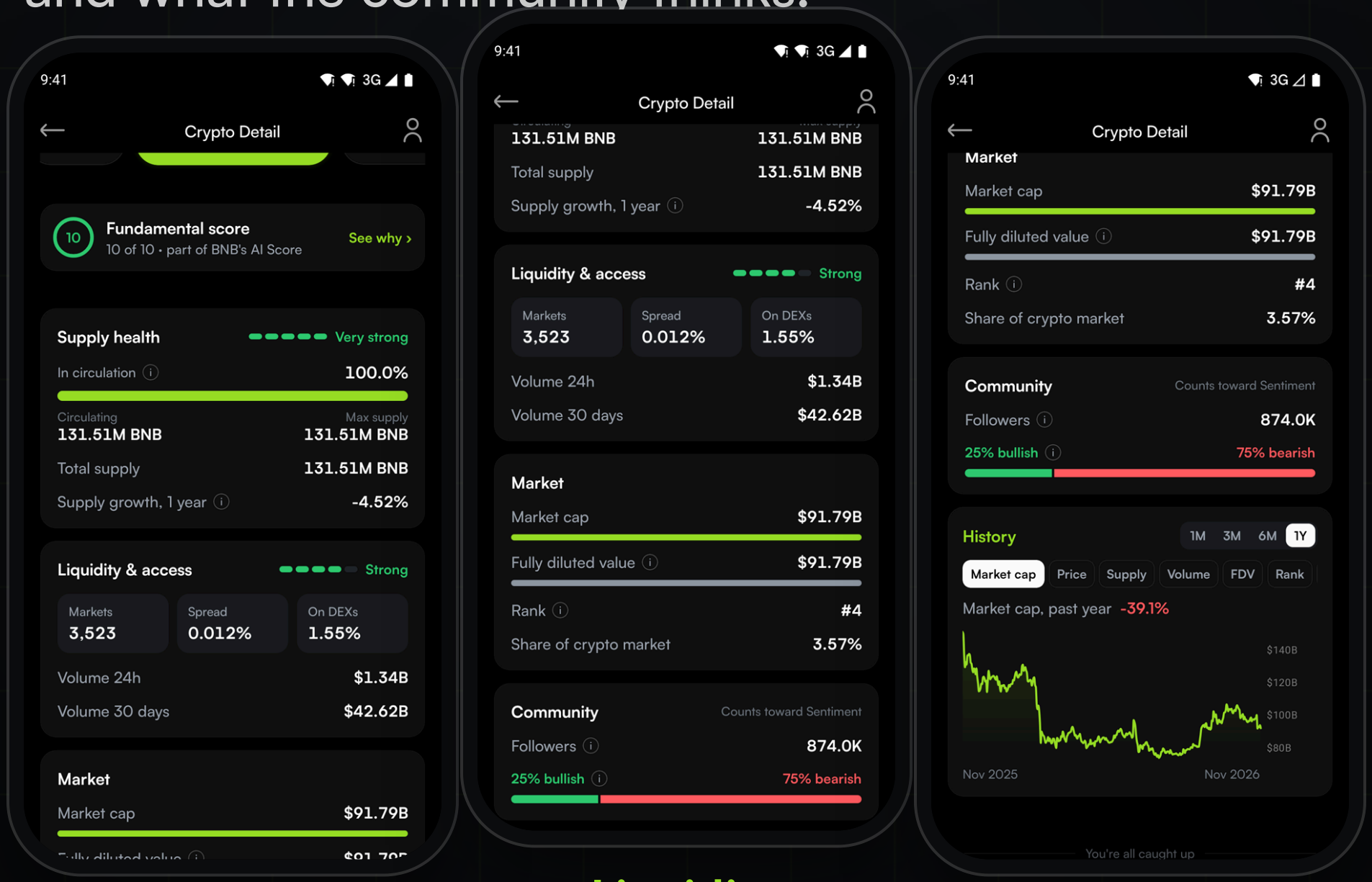
BINANCE'S OWN COIN, FROM THE DAY BEFORE THE HACK TO FOUR DAYS AFTER

Self-custody cuts both ways: lose your keys, lose access. After a hack come the fake compensation screenshots: Binance staff say they're fake. Never move funds to a "safe vault" or pay a fee to get money back. That's the scam. And this has happened before: Binance's fund fully covered a much smaller hack in its early years, about $40M.

ASSETWISP

# How I check

After a hack I check the exchange's own coin in AssetWisp's Fundamental Analysis: supply, liquidity and what the community thinks.




Supply

Liquidity

Community

App Store

Google Play

assetwisp.com

SOURCES

# Where the numbers come from


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3. Binance Recovery Update #4, 2026-11-01, https://www.binance.com/en/support/announcement/detail/73911fb819b240f88b88256bdd318eda (PRIMARY): 'Binance will bear the financial impact of the stolen funds. These losses will not be passed on to users.'
4. Binance Security Incident Update #2, 2026-10-30 (PRIMARY)
5. FBI / IC3 PSA I-022625-PSA, 2025-02-26, https://www.ic3.gov/PSA/2025/PSA250226 (PRIMARY): 'approximately $1.5 billion USD'
6. FBI / IC3 PSA I-022625-PSA, 2025-02-26 (PRIMARY): 'on or about February 21, 2025'
7. Elliptic 'The largest theft in history' (PRIMARY, analytics); TRM 'the largest hack in history' (PRIMARY, analytics); ranking vs FBI Bybit alert $1.5B (PRIMARY)

SOURCES

# Sources, continued


8. Calc on PRIMARY figures (Binance Update #2; FBI Bybit PSA)
9. Binance initial incident notice (PRIMARY): 'the security incident may involve a compromised DevOps engineer's laptop, which allowed an attacker to gain access to a service container and submit unauthorized withdrawal transactions. We have found no evidence of any wallet private key leak.' Update #2 promised technical findings 'within about 48 hours'; none published by 2026-11-02
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11. Calc on Binance Update #2 and #3 (PRIMARY)
12. Binance Recovery Update #4, 2026-11-01 (PRIMARY): 'Binance has now covered approximately 95% of the impacted amount, up from 90% in our prior update.' Paid from part of SAFU, part of the Futures insurance fund and the corporate treasury (Update #3)
13. ADGM Binance Global Terms of Use (7 May 2026), https://www.binance.com/en/terms (PRIMARY): 'Binance shall not be obliged to insure the Digital Assets, or to require any other person to maintain any insurance.' The same terms hold pooled assets 'on trust' for clients (8.4.1(c)); SAFU is discretionary ('may')

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19. Elliptic 2026-11-01 (PRIMARY, analytics): '$1.48B'
20. Binance Security Incident Update #2, 2026-10-30 (PRIMARY): 'Approximately $3 billion has been frozen on-chain to date.'; Elliptic 2026-11-01 (PRIMARY): $2.85B frozen, 94% stablecoins
21. TRM Labs 2026-10-30 (PRIMARY, on-chain)

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22. SEC investor bulletin 'Crypto Asset Custody Basics for Retail Investors', 2025-12-12, https://www.investor.gov/introduction-investing/general-resources/news-alerts/alerts-bulletins/investor-bulletins/crypto-asset-custody-basics-retail-investors-investor-bulletin-0 (PRIMARY): 'If you lose your private key, you permanently lose access to the crypto assets in your wallet.' and 'If the third-party custodian is hacked, shuts down, or goes bankrupt, you may lose access to your crypto assets.'
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## Follow for the next lesson so you don't miss it.

For educational purposes only. Not a recommendation to buy or sell any security. Figures are the latest reported at the time of writing; check them before acting on anything.