



THREE ARROWS FALLS

081 / JULY 2022 / THREE ARROWS / RARE

FROM FUND TO FRIES

Three glowing arrows point down above a counter. A jacket and tie hang behind the worker, while a laptop traces the same direction in red. The trading day has become a very different shift.

Three Arrows Capital, known as 3AC, was a crypto hedge fund whose failure exposed the connections between ambitious trading and borrowed money. As crypto markets fell in 2022, losses and demands for repayment put those connections under strain. The trouble extended beyond the fund's own balance sheet.

On 27 June, Voyager Digital announced that 3AC had defaulted on a loan of 15,250 bitcoin and 350 million USDC. That same day, 3AC entered liquidation in the British Virgin Islands. Its liquidators filed a Chapter 15 petition in New York on 1 July, seeking recognition of the foreign proceeding and protection for assets.

Voyager itself entered Chapter 11 days later, citing both market conditions and the 3AC default. A fund's unpaid borrowing had become a problem for a lender and its customers: the financial links carried losses as readily as they had carried capital.

The artwork answers with the bear-market joke of returning to a fast-food shift. Above the burger and fries, all three arrows agree.

DETAILS IN THE ART

01 THREE ARROWS DOWN

The glowing wall sign turns the fund's name into a direction of travel. The same three arrows reappear on the apron and fries carton.

02 THE JACKET AND TIE

Office clothes hang behind the counter, close enough to suggest a trading desk has only recently given way to this new shift.

03 THE RED CHART

On the left, a laptop remains open behind the counter. Its descending red line brings the market's bad news into the warm restaurant interior.

04 THE NEW UNIFORM

A paper cap and dark apron complete the role reversal. The burger, fries and tray give the caption its literal punchline.

SOURCE & ART NOTE

Sources: 3AC liquidators: 27 June; Chapter 15 petition: 1 July; FSOC 2022 report, Box B; Voyager: default announcement; Voyager: Chapter 11 announcement. A fictional worker and restaurant turn the bear-market fast-food meme into a scene; neither founder's employment nor a McDonald's affiliation is depicted. The chart and caption are editorial.