

United States Senate

WASHINGTON, DC 20510

April 29, 2026

Paolo Ardoino
Chief Executive Officer
Tether
Final Av. La Revolucion, Edif, Centro
Corporativo Presidente Plaza, Nivel 12
San Salvador, H3 00000, El Salvador

Dear Mr. Ardoino:

We are writing to request information regarding reports that Tether provided a loan to a family trust for Secretary of Commerce Howard Lutnick to finance his divestiture of Cantor Fitzgerald.¹ Tether's stablecoin, USDT, has been used to finance illicit activity across the world and the company was reportedly under investigation by the Department of Justice as recently as 2024 for possible violations of sanctions and anti-money laundering laws.² If reports of this loan are accurate, it would raise serious questions about the relationship between Secretary Lutnick and Tether, and the influence of Tether on Mr. Lutnick's policy decisions. We want to ensure that Tether has not sought to bribe or otherwise exert control or influence over Secretary Lutnick.

On October 6, 2025, after serving nearly eight months as Secretary of the Commerce Department, Secretary Lutnick finally divested his multi-billion dollar stake in Cantor Fitzgerald by selling his portion of the company to his children.³ Recent Bloomberg reporting found that on the very next day, October 7, a credit document was filed in New York revealing that Tether lent an undisclosed amount to a trust called "Dynasty Trust A."⁴ Lutnick's four children are the trust's beneficiaries.⁵ The loan is reportedly secured by "all assets" held by the trust, including "more than half the equity in Cantor Fitzgerald."⁶ This document raises questions about whether Tether may have helped provide Secretary Lutnick's children with the capital needed to purchase their father's stake in Cantor Fitzgerald, and in return secured an interest in his children's assets. If true, that would be a startling revelation. Tether, headquartered in El Salvador, is the largest stablecoin issuer in the world. Tether is seen as a "dream currency" for money launderers.⁷ It has reportedly served as the preferred financing vehicle for black market Russian weapons dealers,

¹ Bloomberg, "As Lutnick Sold Cantor to His Children, Tether Gave Them a Loan," David Kocieniewski, Anthony Cormier, and Todd Gillespie, March 18, 2026, <https://www.bloomberg.com/news/features/2026-03-18/tether-made-loan-to-lutnick-s-children-as-they-bought-his-assets>.

² The Wall Street Journal, "Federal Investigators Probe Cryptocurrency Firm Tether," Angus Berwick, Vivian Salama, and Ben Foldy, October 25, 2024, <https://www.wsj.com/finance/currencies/federal-investigators-probe-cryptocurrency-firm-tether-a13804e5>.

³ Securities and Exchange Commission, Schedule 13D, Cantor Equity Partners II, Inc., October 6, 2025, https://www.sec.gov/Archives/edgar/data/2034269/000121390025096664/xslSCHEDULE_13D_X01/primary_doc.xml.

⁴ Bloomberg, "As Lutnick Sold Cantor to His Children, Tether Gave Them a Loan," David Kocieniewski, Anthony Cormier, and Todd Gillespie, March 18, 2026, <https://www.bloomberg.com/news/features/2026-03-18/tether-made-loan-to-lutnick-s-children-as-they-bought-his-assets>.

⁵ *Id.*

⁶ *Id.*

Hezbollah and other terrorist organizations, human traffickers, and state actors in North Korea and Iran.⁸ UK law enforcement dismantled a multi-billion Tether-based laundering scheme with links to Russian oligarchs and drug trafficking networks, and said that Tether has replaced Bitcoin to become the “cryptocurrency du jour” for illicit actors.⁹ A United Nations report also described Tether as the “preferred choice for Asian crime syndicates engaged in cyber-enabled fraud and money laundering operations servicing a wide range of criminal actors operating in the region.”¹⁰

The company has also faced legal scrutiny in the United States for its conduct. In 2021, the New York State Attorney General’s Office found that “Tether’s claims that its virtual currency was fully backed by U.S. dollars at all times was a lie.”¹¹ The Commodity Futures Trading Commission similarly took an enforcement action against Tether for “falsely represent[ing]” that its reserves have 1:1 backing and that they underwent financial audits of those reserves.¹² The Department of Justice was reportedly investigating Tether as recently as 2024 for potential violations of sanctions and anti-money laundering rules.¹³

The company has had substantial business before the U.S. government that Secretary Lutnick was in a position to influence. Secretary Lutnick serves on the President’s Working Group on Digital Assets, which is responsible for advising the President on how to “strengthen[] American leadership in digital financial technology.”¹⁴ Notably, this service coincided with the Trump Administration’s efforts to draft the *Guiding and Establishing National Innovation for U.S.*

⁷ The Economist, “How Tether became money-launderers’ dream currency,” Oliver Bullough, July 4, 2025, <https://www.economist.com/1843/2025/07/04/how-tether-became-money-launderers-dream-currency>.

⁸ The Wall Street Journal, “Inside the Russian Shadow Trade for Weapons Parts, Fueled by Crypto,” Angus Berwick and Ben Foldy, April 1, 2024,

<https://www.wsj.com/finance/currencies/crypto-fuels-russian-shadow-trade-for-weapons-parts-1bfdc1a1>;

Bloomberg, “Commerce Nominee Lutnick Is Backer of Outlaws’ Favorite Cryptocurrency,” Zeke Faux and Todd Gillespie, January 18, 2025, <https://www.bloomberg.com/news/features/2025-01-18/trump-commerce-nominee-lutnick-is-backer-of-outlaws-favorite-cryptocurrency>;

Wired, “Crypto-Funded Human Trafficking Is Exploding,” Andy Greenberg, February 12, 2026, <https://www.wired.com/story/crypto-funded-human-trafficking-is-exploding/>;

The Wall Street Journal, “From Hamas to North Korean Nukes, Cryptocurrency Tether Keeps Showing Up,” Ben Foldy, October 27, 2023, <https://www.wsj.com/finance/currencies/most-popular-cryptocurrency-keeps-showing-up-in-illicit-finance-71d32e5>;

CoinDesk, “Iran’s central bank bought \$507 million USDT to underpin rial, report finds,” Olivier Acuna, January 21, 2026, <https://www.coindesk.com/business/2026/01/21/iran-s-central-bank-bought-usd507-million-usdt-to-underpin-rial-report-finds>.

⁹ Financial Times, “UK uncovers vast crypto laundering scheme for gangsters and Russian spies,” Miles Johnson and Suzi Ring, December 4, 2024, <https://www.ft.com/content/31b9053f-343e-4c47-ace9-2b0080ec8799>.

¹⁰ United Nations Office on Drugs and Crime, “Transnational Organized Crime and the Convergence of Cyber-Enabled Fraud, Underground Banking and Technological Innovation in Southeast Asia: A Shifting Threat Landscape,” October 2024, p. 75

https://www.unodc.org/roseap/uploads/documents/Publications/2024/TOC_Convergence_Report_2024.pdf.

¹¹ New York State Attorney General, “Attorney General James Ends Virtual Currency Trading Platform Bitfinex’s Illegal Activities in New York,” press release, February 23, 2021 <https://ag.ny.gov/press-release/2021/attorney-general-james-ends-virtual-currency-trading-platform-bitfinexs-illegal>.

¹² Commodity Futures Trading Commission, “CFTC orders Tether and Bitfinex to Pay Fines Totaling \$42.5 Million,” press release, October 15, 2021, <https://www.cftc.gov/PressRoom/PressReleases/8450-21>.

¹³ The Wall Street Journal, “Federal Investigators Probe Cryptocurrency Firm Tether,” Angus Berwick, Vivian Salama, and Ben Foldy, October 25, 2024, <https://www.wsj.com/finance/currencies/federal-investigators-probe-cryptocurrency-firm-tether-a13804e5>.

¹⁴ The White House, “Crypto,” <https://www.whitehouse.gov/crypto/>.

Stablecoins (GENIUS) Act, which regulates the use of stablecoins in the United States. Tether also lobbied heavily in favor of the bill.¹⁵

The bill had several favorable provisions for foreign stablecoin issuers like Tether, counter to claims that the purpose of the bill was to “make America the leader in digital assets.”¹⁶ For example, Section 3 of the bill was carefully drafted to allow foreign-issued stablecoins like USDT to circulate in the United States on decentralized exchanges, outside of the confines of the GENIUS Act’s requirements. The bill also provided a generous three-year grace period for foreign-issued stablecoins to continue circulating in the United States on centralized exchanges. In addition, Section 18 of the bill established a framework for the Treasury Secretary to negotiate so-called “reciprocity agreements” with foreign countries, like El Salvador, that would enable foreign-issued stablecoins to have full access to U.S. markets without being subject to the GENIUS Act’s rules.

This series of events is even more troubling given Secretary Lutnick’s close ties to Tether prior to his government service. He has been described as “Tether’s most prominent booster in the US.”¹⁷ He “personally negotiated a relationship with [Tether], reviewing its books to ensure it had all the assets it claimed” in 2021, at a time when other financial institutions hesitated to do business with the firm given severe illicit finance concerns.¹⁸ He then participated in negotiations for Cantor Fitzgerald to invest in “the holding company that owns the Tether stablecoin business” through a convertible bond reportedly valued up to \$600 million with the right to a 5% equity stake.¹⁹ The coziness of his relationship with Tether prior to his nomination, and the favorable treatment Tether received in the GENIUS Act, make reports of a loan from Tether to his children’s trust even more troubling.

The GENIUS Act may now be the law, but as Congress considers digital asset market structure legislation, we must ensure that politically connected crypto interests do not receive special treatment and undermine our national security. To help us understand the potential conflicts of interest posed by Tether’s reported loan to a Lutnick family trust around the same time of his divestiture of Cantor Fitzgerald, please answer the following questions by May 13, 2026:

¹⁵ Politico, “Tether taps a Democrat as crypto bill teeters,” Caitlin Oprysko, May 29, 2025, <https://www.politico.com/newsletters/politico-influence/2025/05/29/tether-taps-a-democrat-as-crypto-bill-teeters-00375570>.

¹⁶ The White House, “Fact Sheet: President Donald J. Trump Signs GENIUS Act into Law,” July 18, 2025, <https://www.whitehouse.gov/fact-sheets/2025/07/fact-sheet-president-donald-j-trump-signs-genius-act-into-law/>.

¹⁷ Bloomberg, “Commerce Nominee Lutnick Is Backer of Outlaws’ Favorite Cryptocurrency,” Zeke Faux and Todd Gillespie, January 18, 2025, <https://www.bloomberg.com/news/features/2025-01-18/trump-commerce-nominee-lutnick-is-backer-of-outlaws-favorite-cryptocurrency>.

¹⁸ Bloomberg, “As Lutnick Sold Cantor to His Children, Tether Gave Them a Loan,” David Kocieniewski, Anthony Cormier, and Todd Gillespie, March 18, 2026, <https://www.bloomberg.com/news/features/2026-03-18/tether-made-loan-to-lutnick-s-children-as-they-bought-his-assets>.

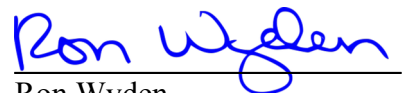
¹⁹ Response from Secretary of Commerce Nominee Howard Lutnick to Questions for the Record from Democratic Members of Senate Committee on Commerce, Science, and Transportation, January 29, 2025, <https://www.commerce.senate.gov/services/files/01C4706D-6E4A-4869-8785-D9166C796DE7>; The Wall Street Journal, “Howard Lutnick’s Other Top Client: Crypto Giant Tether,” Angus Berwick, Ben Foldy, Jenny Strasburg, et al., November 23, 2024, <https://www.wsj.com/finance/currencies/howard-lutnick-giancarlo-devasini-tether-cryptocurrency-3d0a961c>.

1. Did Tether provide a loan to Dynasty Trust A? If so, please provide the credit document, including information on the size and terms of the loan.
2. Did Tether provide this loan to help finance Secretary Lutnick's divestiture of Cantor Fitzgerald?
3. What role, if any, did Secretary Lutnick play in soliciting, procuring, or negotiating the loan?
4. A Cantor Fitzgerald spokesman said there were "multiple sources" of funding.²⁰ Is Tether aware of any other sources of financing for Dynasty Trust A or any other legal entity related to Secretary Lutnick's divestiture of Cantor Fitzgerald? If so, please list them.
5. What contact, if any, have you or other senior Tether executives had with Secretary Lutnick since his nomination? Please provide dates, attendees, locations and descriptions of any meetings and copies of any correspondence.
6. What, if anything, did Secretary Lutnick or his family promise Tether, either explicitly or implicitly, in exchange for the loan?
7. Is the loan to Dynasty Trust A one of the assets backing the USDT stablecoins in circulation? If so, what is the total amount of illiquid personal or commercial loans backing USDT?

Sincerely,



Elizabeth Warren
Ranking Member
Committee on Banking,
Housing, and Urban Affairs



Ron Wyden
United States Senator
Ranking Member, Committee
on Finance

²⁰ Bloomberg, "As Lutnick Sold Cantor to His Children, Tether Gave Them a Loan," David Kocieniewski, Anthony Cormier, and Todd Gillespie, March 18, 2026, <https://www.bloomberg.com/news/features/2026-03-18/tether-made-loan-to-lutnick-s-children-as-they-bought-his-assets>.