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United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

March 23, 2026

Jimmy Donaldson
Founder
Beast Industries
1698 E. Arlington Blvd.
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Jeff Housenbold
Chief Executive Officer
Beast Industries
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Dear Mr. Donaldson and Mr. Housenbold,

I am writing regarding Beast Industries' recent acquisition of Step, a financial technology app designed to provide banking services to teenagers.¹ Step previously allowed minors to trade cryptocurrency.² Now, Step has been purchased by Beast Industries, a company that likewise appeals to children and teenagers and has expressed an interest in becoming more involved in decentralized finance options (DeFi).³ Beast Industries is primarily an entertainment and consumer product company – and any foray into financial services, particularly services aimed at children – must be done with great care and in compliance with the law. Therefore, I request information to better understand the implications of Beast Industries' acquisition of Step for current and future Step customers.

1. Step was Designed to Provide Banking Services to Teenagers.

Step is a financial technology platform and app designed “to provide the next generation with financial tools for today’s modern-day banking needs and to promote financial literacy for the

¹ PaymentsDive, “Step launches mobile banking app for teens, with parental controls,” February 1, 2019, <https://www.paymentsdive.com/ex/mpt/news/step-launches-mobile-banking-app-for-teens-with-parental-controls/>.

² Step, “Step secures an additional \$300 million, launches crypto investing and a financial literacy program,” press release, October 11, 2022, <https://step.com/press/step-secures-an-additional-usd300-000-000-to-accelerate-growth-launches>.

³ Step, “Beast Industries Acquires Step, Expanding Its Platform to Include Financial Services,” press release, February 9, 2026, https://step.com/press/beast-industries-acquires-step-expanding-its-platform-to-include-financial?utm_source=step_internal&utm_medium=cta_button&utm_content=homepage_page#read-the-announcement; Fidelity, “Bitmine Immersion Technologies (BMNR) Announces \$200 Million Investment in Beast Industries,” press release, January 15, 2026, https://www.fidelity.com/news/article/mergers-and-acquisitions/202601150710PR_NEWS_USPR_NY64217.

future.”⁴ The app allows users under 18 to access a secured credit card,⁵ trade securities,⁶ and earn rewards.⁷ Minors who use Step must have either a parent-managed account, which appears to offer a guardian complete control over the account, or for older children, a sponsored account.⁸ In a sponsored account, the sponsor has visibility into the balances and spending on the account, can add funds to the account, and can freeze spending via Step’s secured credit card.⁹ Further, if a child wants to purchase or sell securities, Step allows “a parent or guardian [to] create an account and allow [them] to buy and sell investments based on their recommendation.”¹⁰

2. Step Allowed Minors To Trade Cryptocurrency and Encouraged Risky Investments.

Step previously allowed teenagers to buy and sell cryptocurrency through its partnership with Zero Hash LLC and Zero Hash Liquidity Services LLC.¹¹ In 2022, Step announced that it had become “the first platform to allow teens, with the consent of a parent or legal guardian, to responsibly participate first-hand in the rapidly evolving investing landscape, starting with buying and selling bitcoin.”¹² Step had previously advertised that it would also be offering the ability for users to purchase over fifty different types of cryptocurrencies and NFTs.¹³ It is unclear if Step followed through on this advertisement. Step further allowed users to receive their cash-back rewards from companies as cryptocurrency.¹⁴

Step published a series of long form and short form videos in 2022 about investing in cryptocurrency and digital assets designed to explain the industry to teenagers. This included videos explaining “How People are Making Millions Off NFTs,”¹⁵ describing “Everything You

⁴ Step, “Beast Industries Acquires Step, Expanding Its Platform to Include Financial Services,” press release, February 9, 2026, https://step.com/press/beast-industries-acquires-step-expanding-its-platform-to-include-financial?utm_source=step_internal&utm_medium=cta_button&utm_content=homepage_page#read-the-announcement.

⁵ Step, “Frequently Asked Questions,” <https://step.com/faq>; Step, “Families,” <https://step.com/families>.

⁶ Step, “Invest With As Little as \$1”, <https://step.com/investing>.

⁷ Step, step.com; Step, “Frequently Asked Questions,” <https://step.com/faq>.

⁸ *Id.*

⁹ *Id.*

¹⁰ Step, “Invest With As Little as \$1”, <https://step.com/investing>.

¹¹ Step, “Step secures an additional \$300 million, launches crypto investing and a financial literacy program,” press release, October 11, 2022, <https://step.com/press/step-secures-an-additional-usd300-000-000-to-accelerate-growth-launches>.

¹² *Id.*

¹³ Post on Instagram by Step Mobile, April 23, 2022,

https://www.instagram.com/p/CctGjDkvNSu/?utm_source=ig_web_copy_link&igsh=MzRIODBiNWFIZA==.

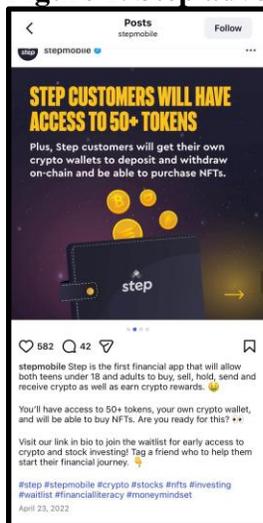
¹⁴ Step, “How to Talk to Your Parents About Investing in Crypto | Cryptocurrency 101 | Behind the Coin EP 4,” October 6, 2022, https://www.youtube.com/watch?v=Vc1p_W9HFZA.

¹⁵ Step, “How People Are Making Millions Off NFTs | Step Into The Basics Ep 10,” February 9, 2022, https://www.youtube.com/watch?v=s_GsQUSuzuk.

Need to Know About Bitcoin,”¹⁶ and highlighting “3 Must-Know Crypto Terms”¹⁷ and “3 Facts About Bitcoin That You Didn’t Know.”¹⁸

Step also advertised future investments in cryptocurrencies, including altcoins and NFTs, to teenagers even though Step knew these investments were volatile and ripe for scams. For example, in April 2022, Step published the below advertisement on its Instagram feed which stated that “teens under 18” would be able to “access 50+ tokens” and would “be able to buy NFTs.” By advertising over fifty different forms of cryptocurrency in 2022, Step appears to have been planning to include tokens beyond Bitcoin and Ethereum on its platform. In later years, Step would describe non-Bitcoin cryptocurrencies as “extremely risky, extremely volatile” and warned that “it is easy to get wrecked” when investing in them;¹⁹ they would also later describe NFTs as “high risk,” “speculative,” “illiquid,” and “full of scams.”²⁰ Step stated that investing in alt coins “probably will be a disaster.”²¹ But in 2022, Step advertised that minors could trade and invest in dozens of these coins.

Figure 1. Step advertises customers’ access to “50+ Tokens” and NFTs.



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¹⁶ Step, “Everything You Need to Know About Bitcoin | Cryptocurrency 101 | Behind the Coin EP 1,” September 15, 2022, <https://www.youtube.com/watch?v=y2o4hwLyJrg>.

¹⁷ Step, “3 Must-Know Crypto Terms 🤪 #step #crypto #investing,” June 13, 2022, <https://www.youtube.com/watch?v=-j1-kymcX0A>.

¹⁸ Step, “3 Facts About Bitcoin That You Didn’t Know #bitcoin #btc #crypto,” October 16, 2022, https://www.youtube.com/watch?v=_F-PaqPHyZQ.

¹⁹ Step, “The Best and Worst Ways to Invest \$1000 in 2025 (Ranked),” May 12, 2025, <https://www.youtube.com/watch?v=Eh3quV2VbH4>.

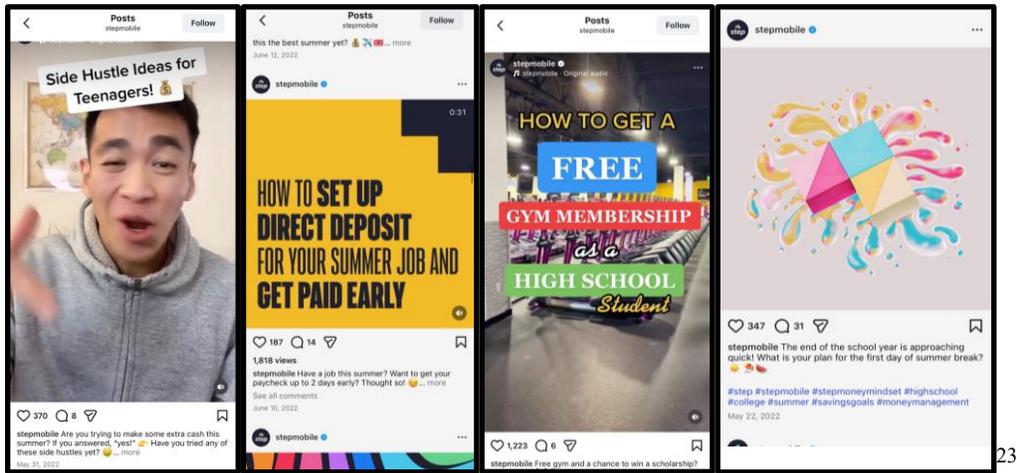
²⁰ *Id.*

²¹ *Id.*

²² Post on Instagram by Step Mobile, April 23, 2022, https://www.instagram.com/p/CctGjDkvNSu/?utm_source=ig_web_copy_link&igsh=MzRIODBiNWFIZA==.

Step also used its social media feed, which was heavily targeted at teenagers, to make them want to invest in cryptocurrencies. Step’s social media feed in 2022 was heavily targeted at high school students and college students, as evidenced by the references to “summer job[s],” “end of the school year,” jobs for “teenagers,” promotions for “high school student[s],” and use of hashtags #highschool and #college.

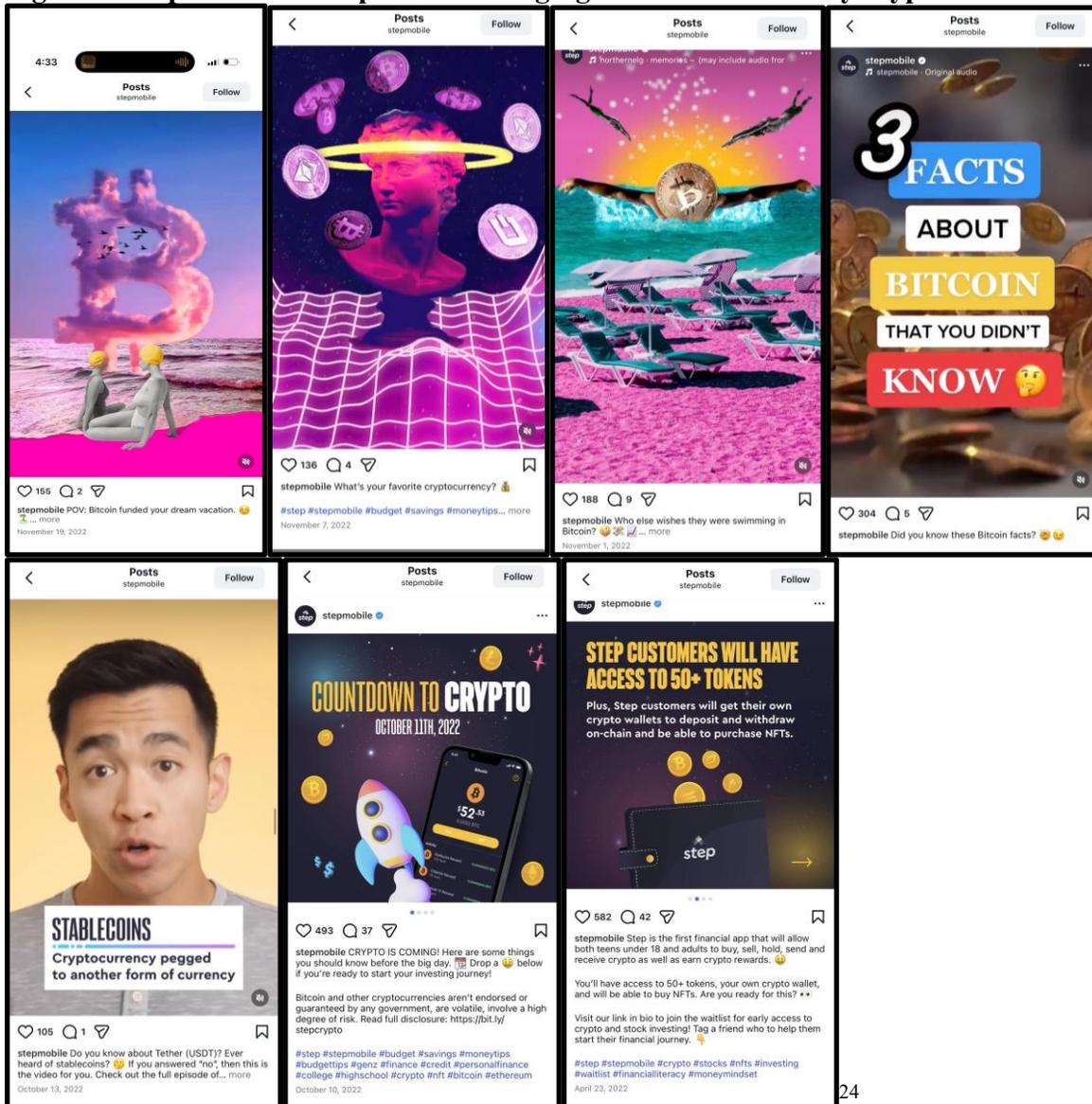
Figure 2. Step targets teenagers and young adults with social media posts about “summer jobs,” “summer break,” and “side hustle ideas for teenagers.”



Alongside posts such as these, users would also see advertisements from Step encouraging users to join a waitlist to invest in NFTs and cryptocurrencies, short form videos about cryptocurrencies, and posts favorably discussing Bitcoin.

²³ Screenshots taken from Step Mobile’s Instagram page, @stepmobile, by Committee Staff on March 3, 2026.

Figure 3. Step social media posts encouraging investments in risky cryptocurrencies.



3. Step Encouraged Minors to Pressure Their Parents into Letting Them Invest in Crypto.

Despite Step’s careful claims that crypto investing by minors was only with the permission of a parent or guardian,²⁵ Step published resources encouraging kids to pressure their parents into crypto investments. Step for example, produced a video titled “How to Talk to Your Parents About Investing in Crypto,” which was targeted at kids whose parents “want nothing to do with

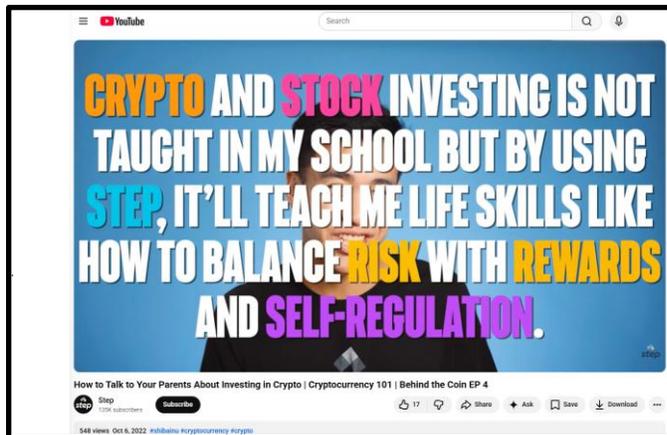
²⁴ Screenshots taken from Step Mobile’s Instagram page, @stepmobile, by Committee Staff on March 3, 2026 and March 6, 2026.

²⁵ Step, “Step secures an additional \$300 million, launches crypto investing and a financial literacy program,” press release, October 11, 2022, <https://step.com/press/step-secures-an-additional-usd300-000-000-to-accelerate-growth-launches>.

crypto,” “think [they’ll] end up losing all [their] money,” or “simply [do] not understand crypto in general.”²⁶ The video coaches children on how to convince their parents to let them make investments their parents may not want and includes specific scripts for children to use while talking to their parents.²⁷

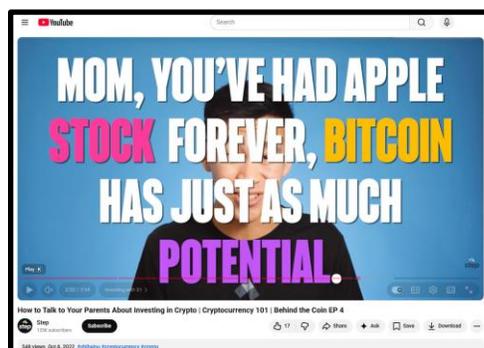
About half way through the video, the speaker directs the viewer to “tell them something like,” and then gives a direct script with text on screen.

Figure 4. Step provides teens with a script to convince their parents to invest in crypto.



Soon after, the speaker directs the viewer to “throw in something relatable like, ‘Mom, you’ve had apple stock forever, Bitcoin has just as much potential.’”

Figure 5. Step advises teens on what to tell “Mom” about Bitcoin.

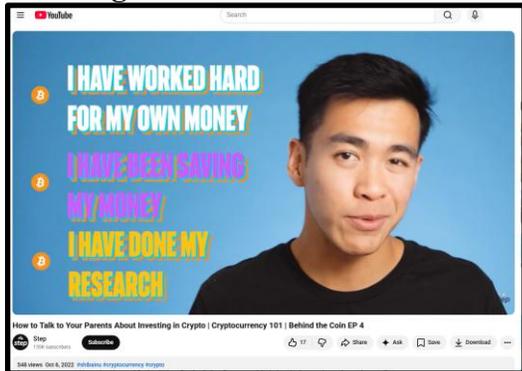


Then the speaker advises the viewer to go “in for the kill” and suggest starting with a small investment. Near the end, the speaker advises the viewer that parents “will appreciate” hearing their child tell them they will only invest money “[they] are willing to lose” and hearing their child explain why they are interested in such investments, for which the speaker provides a list of stock answers.

²⁶ Step, “How to Talk to Your Parents About Investing in Crypto | Cryptocurrency 101 | Behind the Coin EP 4,” October 6, 2022, https://www.youtube.com/watch?v=Vc1p_W9HFZA.

²⁷ *Id.*

Figure 6. Step provides a list of stock answers for questions from parents about crypto investing.



Step has undercut its own credibility by going around kids’ parents and directly coaching minors on how to convince their parents to let them make an investment their parents do not wish them to make.

4. Step’s new owner, Beast Industries, has a history of promoting products to children and teens and has signaled its interest in promoting decentralized currency and cryptocurrency.

Step “quietly shut the option [to hold and trade crypto currencies] down” in 2024.²⁸ As of February 2024, users could no longer purchase new cryptocurrency. And as of May 1, 2024, Step closed “all crypto investing accounts” and liquidated any remaining cryptocurrency.²⁹ But in early 2026, Step was acquired by BeastIndustries – a company that has a long history of targeting children and teenagers with products, and that has recently signaled its plans to move into the cryptocurrency and decentralized finance industries.

Mr. Donaldson and Mr. Housenbold are the owner and CEO, respectively, of Beast Industries.³⁰ Mr. Donaldson’s YouTube channel, @MrBeast, has 471 million subscribers and is currently the most subscribed to YouTube channel in the world.³¹ Nearly all of his videos published in the last year have over 100 million views.³² As of April 2025, 39% of his viewers were between the ages of 13 and 17, and the vast majority were younger than 25 years old.³³

²⁸ The New York Times, “MrBeast Is Getting Into Financial Services. Parents Should Pay Attention.,” Tara Siegel Bernard and Ron Lieber, March 3, 2026, <https://www.nytimes.com/2026/03/03/business/mrbeast-step-banking-crypto.html>; Screenshot of Step app accessed by staff member on March 3, 2026, https://drive.google.com/file/d/1TpEyOK_R7-k7jyQPQdhtEIW0c0OJK0Hk/view?usp=sharing.

²⁹ Screenshot of Step app accessed by staff member on March 3, 2026, https://drive.google.com/file/d/1TpEyOK_R7-k7jyQPQdhtEIW0c0OJK0Hk/view?usp=sharing.

³⁰ MEXC, “After receiving a \$200 million investment from BitMine, is Mr. Beast now acquiring Step to teach young people about financial management?,” PANews, February 10, 2026, <https://www.mexc.com/news/677309>.

³¹ vidIQ, “Top 100 YouTube Channels,” <https://vidiq.com/youtube-stats/top/100/>.

³² Youtube, “MrBeast,” <https://www.youtube.com/@MrBeast/videos>.

³³ Tubefilter, “Advertisers hoping to reach under-18 viewers on YouTube can keep PACE with a new tool,” Sam Gutelle, April 17, 2025, <https://www.tubefilter.com/2025/04/17/precise-tv-pace-advertising-measurement-targeting-tool-under-18/>.

Mr. Donaldson has consistently catered to his child and teenage audience with his other products and business lines. He is a founder of Lunchly, a competitor to the children’s meal kits, Lunchables.³⁴ Mr. Donaldson also sells a line of chocolate bars, has been accused of publishing ads that were potentially misleading to child viewers, and may have collected personal information about children without their parents consent.³⁵ In addition, Mr. Donaldson’s online store sells toys featuring his branding and likeness for kids as young as five years old.³⁶

In January 2026, Beast Industries received a \$200 million investment from Bitmine Immersion Technologies, “the leading Ethereum treasury company in the world.”³⁷ In February 2026, Beast Industries announced its acquisition of Step, which was reportedly “the company’s first official move following its announcement” of BitMine’s investment.³⁸

Beast Industries has expressed an interest in becoming more involved in financial services, particularly related to decentralized finance and cryptocurrency. When BitMine initially made its investment, Mr. Housenbold said, “We look forward to exploring ways to ... incorporate DeFi into our upcoming financial services platform.”³⁹ While Mr. Housenbold’s statement does not clarify what platform he is referring to, Step is the only financial services offering of Beast Industries.⁴⁰ Additionally, near the end of 2025, Beast Holdings, LLC filed for the trademark, “MrBeast Financial” and it was reported that “[t]he company plans to provide cryptocurrency trading services, crypto payment processing, and crypto trading through DEX.”⁴¹

5. Beast Industries Is Ill Prepared to Run a Financial Technology Company

Beast Industries’ corporate history raises concerns about its ability to manage a financial technology company, particularly one targeting children and teens. Mr. Housenbold was quickly

³⁴ Forbes, “MrBeast’s ‘Lunchly’ Mold Scandal, Explained,” Dani Di Placido, October 25, 2024, <https://www.forbes.com/sites/danidiplacido/2024/10/25/mrbeasts-lunchly-mold-controversy-explained/>.

³⁵ BBB Programs, “Children’s Advertising Review Unit Recommends MrBeastYouTube, LLC and Feastables Improve Ad Disclosures, Product Claims, and Data Collection Practices,” September 18, 2025, <https://bbbprograms.org/media/newsroom/decisions/mrbeast-feastables>; Reuters, “MrBeast chocolate ads were misleading, US children’s watchdog group says,” Waylon Cunningham, September 18, 2025, <https://www.reuters.com/business/media-telecom/mrbeast-chocolate-ads-were-misleading-us-childrens-watchdog-group-says-2025-09-18/>.

³⁶ MrBeast.Store, “MrBeast Lab Hybrids Single Pack,” <https://mrbeast.store/products/mrbeast-lab-hybrids-single-pack-1>.

³⁷ CNBC, “MrBeast platform gets \$200 million investment from Tom Lee’s Bitmine,” Sean Conlon, January 15, 2026, <https://www.cnbc.com/2026/01/15/mrbeast-company-gets-200-million-investment-from-tom-lees-bitmine.html>; PR PR Newswire, “Bitmine Immersion Technologies (BMNR) Announces \$200 Million Investment in Beast Industries,” press release, January 15, 2026, <https://www.prnewswire.com/apac/news-releases/bitmine-immersion-technologies-bmnr-announces-200-million-investment-in-beast-industries-302662125.html>.

³⁸ MEXC, “After receiving a \$200 million investment from BitMine, is Mr. Beast now acquiring Step to teach young people about financial management?,” PANews, February 10, 2026, <https://www.mexc.com/news/677309>.

³⁹ Fidelity, “Bitmine Immersion Technologies (BMNR) Announces \$200 Million Investment in Beast Industries,” press release, January 15, 2026, https://www.fidelity.com/news/article/mergers-and-acquisitions/202601150710PR_NEWS_USPR_NY64217.

⁴⁰ Fast Company, “MrBeast’s business empire stretches far beyond viral YouTube videos,” Chris Morris, February 11, 2026, <https://www.fastcompany.com/91490295/mrbeast-business-empire-step-banking-app>.

⁴¹ MEXC, “After receiving a \$200 million investment from BitMine, is Mr. Beast now acquiring Step to teach young people about financial management?,” PANews, February 10, 2026, <https://www.mexc.com/news/677309>.

promoted to CEO at Beast Industries in 2024 in part to “professionalize” the company.⁴² Right before Mr. Housenbold was promoted to CEO in the latter half of 2024, Mr. Donaldson’s company lacked a chief human resources officer, a general counsel, or an “anonymous reporting mechanism” to allow employees to make reports of misconduct without having to identify themselves.⁴³ Just last month, a Beast Industries employee was reported to federal regulators for insider trading.⁴⁴ While Beast Enterprises has quickly grown as a company and expanded into other offerings, it is unclear to me the extent to which the company’s corporate structure and policies have kept track with its commercial success.

Additionally, Mr. Donaldson has been accused of unethical and potentially illegal behavior related to his dealings in cryptocurrencies. In 2024, Mr. Donaldson was the subject of a report revealing “findings [that] suggest a long history of insider trading, misleading investors, and using his influence to promote tokens, only to later dump them on the market.”⁴⁵ Following accusations that Mr. Donaldson made millions by duping crypto investors into purchasing tokens to line his own wallet,⁴⁶ Mr. Donaldson denied wrongdoing and claimed that third parties handle his crypto investments.⁴⁷

6. Step Has Partnered with Evolve Bank—which, along with financial services company Synapse, lost nearly \$100 million in customer deposits in 2024.

Most financial technology companies are not banks and do not directly hold their customer’s funds. Instead, these companies often partner with an FDIC-insured bank to provide the banking services. Here, Step describes itself as a “financial technology company, not a bank” and partners with Evolve Bank & Trust (“Evolve”) to provide the requisite banking services.⁴⁸

Evolve has provided banking services for multiple financial technology companies, most infamously, Synapse Financial Technologies. Synapse acted as an intermediary between customer-facing financial technology companies and bank partners.⁴⁹ However, in 2024,

⁴² AP News, “MrBeast CEO and ‘Beast Games’ winner rally brand partners and rare disease support on Wall Street,” James Pollard, July 23, 2025, <https://apnews.com/article/mrbeast-jimmy-donaldson-beast-games-jeff-housenbold-14e58da87c016bb8986ad8504c48a1c5>; LinkedIn, “Jeffrey Housenbold,” <https://www.linkedin.com/in/jeffreyhousenbold1/>.

⁴³ LinkedIn, “Jeffrey Housenbold,” <https://www.linkedin.com/in/jeffreyhousenbold1/>; Time, “What to Know About the Allegations Against MrBeast and His Company,” Moises Mendez II, August 19, 2024, <https://time.com/7010441/mrbeast-accusations-explained/>; Inc., “MrBeast Founder Calls for Safety and Culture Audit,” Associated Press, August 9, 2024, <https://www.inc.com/associated-press/mrbeast-founder-calls-for-safety-culture-audit.html>.

⁴⁴ NPR, “Kalshi reveals insider trading case against editor for MrBeast,” Bobby Allyn, February 25, 2026, <https://www.npr.org/2026/02/25/nx-s1-5726050/kalshi-insider-trading-enforcement-actions>.

⁴⁵ Loock, “An Investigation into MrBeast’s Wallets,” <https://loock.io/blog/mrbeast-investigation/>.

⁴⁶ Yahoo Finance, “The World’s Most Popular YouTuber Just Filed for a Crypto Banking App — What Could Go Wrong?,” Camila Grigera Naón, October 17, 2025, <https://finance.yahoo.com/news/world-most-popular-youtuber-just-184809060.html>.

⁴⁷ Binance Square, “MrBeast Denies Crypto Scam Allegations and Threatens Legal Action,” CryptoFrontNews, November 25, 2024, <https://www.binance.com/en/square/post/16724901270538>.

⁴⁸ Step, step.com.

⁴⁹ The Wall Street Journal, “The Bank Behind the Fintech Revolution Stumbles After Customer Funds Go Missing,” Alexander Saeedy, December 25, 2024, <https://www.wsj.com/finance/banking/evolve-bank-struggles-missing-customer-funds-lost-clients-1d531fd3>.

Synapse filed for bankruptcy and customers could not access a large amount of their funds that were being held by Evolve and other banks.⁵⁰ A court mediator determined that up to \$96 million in customer funds could not be located at Evolve or other banks at least in part due to poorly-maintained recordkeeping.⁵¹ Synapse and Evolve blame each other for losing the money.⁵² The two parties were aware that customer funds had been lost for months before the bankruptcy, but never notified customers.⁵³ Further, FDIC insurance was unavailable because it was Synapse and not Evolve that failed.⁵⁴ Customers were surprised by this fact, as many of the customer-facing financial technology companies had invoked the FDIC's name and logo when advertising the safety of their payment and deposit offerings.⁵⁵

Evolve's troubles are not limited to its prior partnership with Synapse. In 2024, the Federal Reserve brought an enforcement action against Evolve "for deficiencies in the bank's anti-money laundering, risk management, and consumer compliance programs."⁵⁶ That same year, Evolve confirmed that customer data had been released on the dark web following a cyber attack on their systems.⁵⁷ Given that Step's products are aimed at children and young adults, Evolve likely has extensive amounts of sensitive information about minors that must be protected from further attacks.

7. Request for Information.

Beast Industries is primarily an entertainment and consumer product company,⁵⁸ with no reported prior experience offering financial services, investment services, or banking products. Now, with its acquisition of Step, Beast Industries may be entering a highly regulated market, and doing so with a product aimed at minors and young adults. Paired with Mr. Donaldson's very loyal following of children and teenagers, it is likely that many young people will trust Step

⁵⁰ The Wall Street Journal, "The Bank Behind the Fintech Revolution Stumbles After Customer Funds Go Missing," Alexander Saeedy, December 25, 2024, <https://www.wsj.com/finance/banking/evolve-bank-struggles-missing-customer-funds-lost-clients-1d531fd3>.

⁵¹ *Id.*; Fair Observer, "Crisis at Evolve Bank: A Wake-up Call for the Fintech Industry," Masaaki Yoshimori, February 24, 2025, <https://www.fairobserver.com/economics/crisis-at-evolve-bank-a-wake-up-call-for-the-fintech-industry>.

⁵² The Wall Street Journal, "The Bank Behind the Fintech Revolution Stumbles After Customer Funds Go Missing," Alexander Saeedy, December 25, 2024, <https://www.wsj.com/finance/banking/evolve-bank-struggles-missing-customer-funds-lost-clients-1d531fd3>

⁵³ *Id.*

⁵⁴ *Id.*

⁵⁵ CNBC, "How thousands of Americans got caught in fintech's false promise and lost access to bank accounts," Hugh Son, July 3, 2024, <https://www.cnbc.com/amp/2024/07/02/synapse-fintech-fdic-false-promise.html>.

⁵⁶ Board of Governors of the Federal Reserve System, "Federal Reserve Board issues an enforcement action against Evolve Bancorp, Inc. and Evolve Bank & Trust for deficiencies in the bank's anti-money laundering, risk management, and consumer compliance programs," press release, June 14, 2024, <https://www.federalreserve.gov/newsevents/pressreleases/enforcement20240614a.htm>; Reuters, "Fed penalizes Evolve Bank for failing to manage fintech partnership risk," Hannah Lang and Pete Schroeder, June 17, 2024, <https://www.reuters.com/business/finance/fed-penalizes-evolve-bank-failing-manage-fintech-partnership-risk-2024-06-14/>.

⁵⁷ Reuters, "Arkansas-based Evolve Bank confirms cyber attack and data breach," June 27, 2024, <https://www.reuters.com/sustainability/boards-policy-regulation/arkansas-based-evolve-bank-confirms-cyber-attack-data-breach-2024-06-26/>.

⁵⁸ Fast Company, "MrBeast's business empire stretches far beyond viral YouTube videos," Chris Morris, February 11, 2026, <https://www.fastcompany.com/91490295/mrbeast-business-empire-step-banking-app>.

with their funds, savings, and financial futures. Given Step's history of highlighting volatile investments to teenagers, Mr. Donaldson's primarily young and very loyal audience, and the allegations concerning Mr. Donaldson's prior actions with cryptocurrencies, I write to request further information on Beast Industries' plans for Step. Please provide answers to the following questions no later than April 3, 2026:

1. Does Beast Industries intend to allow users of Step to invest in or hold cryptocurrency or NFTs? Provide copies of any such plans, communication, meeting minutes, or other documents to support your answer.
2. Did Step ever allow any user to purchase an NFT or a cryptocurrency beyond Bitcoin? Explain the timeline of such offerings and an explanation as to why they were wound down. If Step never offered such options, describe why Step advertised plans to but did not follow through on these offerings.
3. What changes does Beast Industries intend to make at Step? Changes include but are not limited to any potential future offerings of, revisions to, or removals of any of Step's product offerings, investment opportunities, reward offerings, banking service products, or internal policies and procedures.
4. How does Beast Industries plan to advertise Step and grow Step's user base? Will Mr. Donaldson mention Step in any future videos? Will Beast Industries, Step, or Mr. Donaldson offer any version of a game, sweepstakes, lottery, or other competition related to Step?
5. Does Beast Industries plan to develop content at Step that explains to minors how to convince their parents to let them invest in cryptocurrency, NFTs, and other decentralized financial products? If so, explain.
6. How will Beast Industries protect users' funds should there be any future liquidity concerns with Step, Evolve, or any of their intermediaries? Will Beast Industries commit to separately backing any users funds lost due to fraud, scams, failures of cybersecurity protections, or liquidity issues?
7. Why did Beast Industries file a trademark for BeastFinance? Is Beast Industries intending to use the BeastFinance trademark in relation to Step, any Step product, or any Step subsidiary?
 - a. Mr. Housenbold stated, "We look forward to exploring ways to further collaborate and incorporate DeFi into our upcoming financial services platform." Describe Beast Industries current plans related to incorporating decentralized finance into any of its product lines, including if, when, and how Beast Industries intends to incorporate decentralized finance into Step. Provide any meeting minutes, documents, communications, or other documents available to support your response.

8. Describe how Beast Industries has "professionalized" its operations since 2024. Provide the following information:
 - a. A description of Beast Industries' compliance operation
 - b. A copy of all current employee manuals, handbooks, and standard operating procedures
 - c. An organization chart of Beast Industries, highlighting all individuals with compliance or legal functions
 - d. Any reports, memos, communications, or meeting minutes concerning how Beast Industries will adapt the compliance structure necessary to own a financial technology business
9. Why did Step choose to partner with Evolve? Provide information on the selection process that led to Step partnering with Evolve, other banks considered by Step, why Evolve was selected over other banks, and the date the partnership was formalized.
10. Was Step aware of i) Evolve's involvement in the fallout following the bankruptcy of Synapse, ii) the 2024 data breach of Evolve's systems, and iii) the June 2024 Federal Reserve enforcement action against Evolve? For each incident, provide Step's response to the incident, how that incident affected Step's partnership with Evolve, how that incident impacted Step's risk management, and how Step responded to best protect its customers from any negative effects of the incident.
11. Step.com states, "The FDIC provides deposit insurance to protect your money in the event of a bank failure. Your deposits are automatically insured to at least \$250,000 at each FDIC-insured bank."⁴ Explain how this disclosure is compliant with current law. In your explanation, discuss i) why Step does not include language clarifying that the FDIC insurance would not be applicable in the event Step and not the FDIC-insured bank is the entity to fail and ii) how Step can state deposits are "automatically" insured if that insurance only applies under certain factual scenarios.

I thank you for your attention to this matter.

Sincerely,



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

⁵⁹ Step, <https://step.com/>.