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United States Senate

COMMITTEE ON BANKING, HOUSING, AND
URBAN AFFAIRS

WASHINGTON, DC 20510-6075

November 17, 2025

The Honorable Scott Bessent
Secretary
U.S. Department of the Treasury
1500 Pennsylvania Ave, NW
Washington, D.C. 20220

The Honorable Pamela Bondi
Attorney General
U.S. Department of Justice
950 Pennsylvania Avenue

Dear Secretary Bessent and Attorney General Bondi:

We write to inquire about actions that the Departments of the Treasury and Justice are taking to investigate national security risks posed by the U.S. crypto platform, World Liberty Financial, Inc. (WLF), in light of recent reports that it sold tokens to buyers that conducted business with North Korean state-sponsored hackers, sanctioned Russian money-laundering entities, and other illicit actors.¹ By selling these tokens, WLF has “take[n] money from people with open and obvious connections to enemies of the United States”² and raised national security risks by giving them “a seat at the table” to set WLF’s forward-looking governance policies.³ As Congress considers legislation on the market structure for digital assets, we must ensure that crypto interests do not profit at the expense of U.S. national security and that illicit actors are not handed the keys to financial platforms that they can later exploit.

Under United States law and global standards, financial actors are expected to conduct due diligence to prevent bad actors from moving illicit funds, or acquiring ownership, control, or governance influence that could be exploited.⁴ WLF, however, appears to allow any actor to purchase its governance token \$WLFI, and then permits token owners “to participate in governance” including “submitting proposals to casting votes,” which “help shape the direction

¹ Accountable.us, “Trump Crypto Venture WLF Sold Tokens To Entities Tied to North Korea, Iran & a Notorious Money Laundering Platform,” September 18, 2025, <https://accountable.us/trump-crypto-venture-wlfi-sold-tokens-to-entities-tied-to-north-korea-iran-a-notorious-money-laundering-platform>.

² *Id.*

³ World Liberty Financial, “Governance,” <https://worldlibertyfinancial.com/governance>

⁴ Financial Action Task Force, “Guidance on Beneficial Ownership for Legal Persons,” March 2023, p. 58, <https://www.fatf-gafi.org/content/dam/fatf-gafi/guidance/Guidance-Beneficial-Ownership-Legal-Persons.pdf.coredownload.pdf>; see, for example, 31 U.S.C. § 5318(h) and 12 U.S.C. § 1817(j).

of the platform.”⁵ As WLF explains, this gives a person who purchases their tokens “a seat at the table.”⁶

Recent reports have found that WLF sold governance tokens to entities with connections to North Korea and Russia, as well as to platforms known for money laundering. The following facts have been reported regarding WLF’s token sales:

- In January 2025, WLF sold 600,000 of its \$WLFI tokens, valued at \$10,000, to a crypto trader named “Shryder.eth.”⁷ Shryder.eth has been blocked by other platforms since 2022 after making over 50 transactions with now-sanctioned crypto wallets associated with North Korean state-sponsored hackers.⁸
- Since February 2, 2025, WLF sold over 10,000 \$WLFI tokens to the user “0x9009”; this same user has conducted transactions with A7A5, a “Ruble-backed sanctions evasion tool” backed by parties now under United States sanctions.⁹
- In April 2025, WLF sold \$25 million worth of \$WLFI tokens to a Dubai-based company, DWF Labs, whose managing partner was reportedly connected to a \$4 billion crypto pyramid scheme.¹⁰ Three days later, the Department of Justice closed its crypto investigations unit, and DWF Labs Managing Partner Andrei Grachev tweeted that the market is a “real Wild Wild West,” and “it is a crime szn bro.”¹¹
- Since its founding, WLF sold \$WLFI tokens to at least 62 users that also used TornadoCash, a notorious crypto mixing service that the Justice Department alleged helped criminals and hackers, including the North-Korea based Lazarus Group, which has reportedly “launder[ed] more than \$1 billion of illicit assets.”¹²

These reported sales to actors linked to North Korea, Russia, and other illicit actors raise serious questions about WLF’s due diligence policies or procedures, including whether its tokens or other products enable sanctions evasion, money laundering, and terrorist financing. The reports indicate an absence of robust sanctions and anti-money laundering controls; as it considers plans

⁵ World Liberty Financial, “Governance,” <https://worldlibertyfinancial.com/governance>.

⁶ *Id.*

⁷ Accountable.us, “Trump Crypto Venture WLF Sold Tokens To Entities Tied to North Korea, Iran & a Notorious Money Laundering Platform,” September 18, 2025, <https://accountable.us/trump-crypto-venture-wlfi-sold-tokens-to-entities-tied-to-north-korea-iran-a-notorious-money-laundering-platform>.

⁸ *Id.* at pp. 7-10.

⁹ *Id.* at p. 26; U.S. Department of the Treasury, “Treasury Sanctions Cryptocurrency Exchange and Network Enabling Sanctions Evasion and Cyber Criminals,” August 14, 2025, <https://home.treasury.gov/news/press-releases/sb0225>.

¹⁰ Rolling Stone, “Trump Family’s Crypto Venture Nets \$25 Million Investment From Firm Suspected of Fraud,” Miles Klee, April 16, 2025, <https://www.rollingstone.com/culture/culture-features/trump-family-crypto-dwf-1235318209>.

¹¹ *Id.*

¹² Accountable.us, “American Sell-Out,” September 18, 2025, p. 29-34, <https://accountable.us/wp-content/uploads/2025/09/American-Sell-Out.pdf>.

to tokenize additional assets, including real estate, on its platform, WLF risks supercharging illicit finance activity.¹³

The Trump family's close ties to the company also create a financial conflict of interest for Trump Administration officials that report to the President: prioritizing token sales will directly enrich the Trump family—while compliance activities may interfere with this wealth creation. For example, DT Marks DEFI LLC, “an entity affiliated with Donald J. Trump and certain of his family members,” holds “22.5 billion \$WLFI tokens” now worth over \$3 billion to date, and has a claim on “75% of \$WLFI token sale proceeds.”¹⁴ That means every time a governance token is sold, three quarters of that money goes directly to President Trump and his family, even for sales to entities linked to North Korea and Russia. With recent reports of circular trading—where insiders trade with themselves to push up the price—President Trump can profit from \$WLFI sales even when others lose money.¹⁵

Earlier this year, in the wake of the Lazarus Group's theft of \$1.5 billion in digital currency, the “largest crypto theft of all time,”¹⁶ we sent you both a letter requesting information regarding your work to combat cyber-attacks by ransomware groups based in North Korea.¹⁷ In response, the Treasury Department informed us that the Department “shares your concerns” regarding North Korea's “state-sponsored hacking and money laundering campaign” and was “committed to disrupting this activity.”¹⁸ The Department highlighted its work “using available financial regulatory tools to disrupt DPRK money laundering networks,” noted that “promoting responsible innovation in digital assets . . . requires safeguarding the digital asset ecosystem,” and emphasized the Department's continued efforts “to impose sanctions on networks associated with laundering digital assets stolen by the DPRK.”¹⁹ The Department of Justice has yet to respond.

This stated commitment to preventing crypto hacking and money laundering by North Korea suggests that the Treasury Department, at least, should be alarmed by WLF's sale of governance tokens to entities linked to North Korea, Russia, and other illicit actors. Yet it is unclear what steps, if any, the Treasury Department and the Department of Justice are taking to address

¹³ CoinDesk, “Eric Trump Confirms Plans to Tokenize Real Estate With World Liberty Financial,” Krisztian Sandor, October 15, 2025, <https://www.coindesk.com/business/2025/10/10/eric-trump-confirms-plans-to-tokenize-real-estate-with-world-liberty-financial>.

¹⁴ *Id.*; CoinMarketCap, “World Liberty Financial,” <https://coinmarketcap.com/currencies/world-liberty-financial-wlfi>.

¹⁵ New York Times, “Trump Family Profits Even With Tepid Launch of Crypto Tokens,” Eric Lipton, September 1, 2025, <https://www.nytimes.com/2025/09/01/us/politics/trump-crypto-trading.html>.

¹⁶ Federal Bureau of Investigation, “Public Service Announcement: North Korea Responsible for \$1.5 Billion Bybit Hack,” February 26, 2025, <https://www.ic3.gov/PSA/2025/PSA250226>; CoinDesk, “North Korean Hackers Were Behind Crypto's Largest ‘Theft of All Time,’” Aoyon Ashraf, February 21, 2025, <https://www.coindesk.com/markets/2025/02/21/north-korean-hackers-were-behind-crypto-s-largest-left-of-all-time>.

¹⁷ Letter from Senators Warren and Reed to Secretary Bessent and Attorney General Bondi, May 19, 2025, https://www.banking.senate.gov/imo/media/doc/warren_reed_letter_to_treasury_and_doj_re_nk_crypto_theft.pdf.

¹⁸ Letter from Jonathan Blum, Principal Deputy Assistant Secretary, Office of Legislative Affairs, Department of Treasury, to Senators Reed and Warren, June 12, 2025, https://www.banking.senate.gov/imo/media/doc/20250612_response_to_20250519lettertodojtreasuryrenorthkoreacryptoheist.pdf.

¹⁹ *Id.*

WLF's sale of governance tokens to entities linked to North Korea, Russia, and other illicit actors.

Information regarding your efforts is especially important as Congress considers legislation to regulate the market structure of digital assets. Legislation currently under development in Congress would create a new regulatory category of an "ancillary asset," which could shield governance tokens like \$WLFI from existing U.S. oversight.²⁰ In addition, the legislation may exempt issuers of governance tokens like WLF from certain recordkeeping and disclosure requirements, including information about beneficial owners, making it even more difficult for law enforcement to detect and fight illicit finance that occurs on its platform.²¹

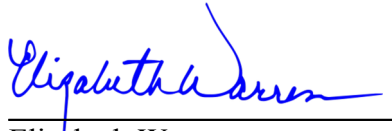
To better understand considerations around potential enforcement actions against WLF, we ask you to answer the following requests by December 1, 2025:

1. Provide a list of any and all requirements that currently apply to decentralized finance platforms regarding due diligence on governance token holders.
2. Describe any and all potential national security risks associated with permitting persons linked to North Korea or Russia to vote on decisions about how U.S. crypto platforms are governed.
3. List and provide a summary of any and all open inquiries or investigations related to WLF's sales of \$WLFI to entities linked to North Korea, Russia, and other illicit entities.
4. Entities linked to the President and his family hold a large sum of the governance tokens at WLF. Aside from governance impact, has the agency conducted analysis—or consulted with other U.S. national security agencies—regarding any benefits foreign actors may hope to gain by spending money on governance tokens? If so, provide a copy of all related documents and/or correspondence.
5. List any and all specific actions the agency will take to prevent conflicts of interest and insulate national security and law enforcement decisions from the influence of crypto interests like WLF that have business ties to the Trump family.

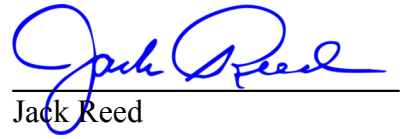
Sincerely,

²⁰ See Discussion Draft, "Responsible Financial Innovation Act of 2025," https://fm.cnb.com/applications/cnb.com/resources/editorialfiles/2025/09/05/Market_Structure-Discussion-Draft-9-5-25.pdf.

²¹ CoinTelegraph, "Andreessen Horowitz warns of loopholes in draft US crypto rules," Adrian Zmudzinski, August 1, 2025, <https://cointelegraph.com/news/a16z-to-senate-drop-the-ancillary-asset-loophole-pass-clarity-instead>; see, for example, 31 C.F.R. § 1010.230.



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



Jack Reed
United States Senator