

April 25, 2025

U.S. Senate Committee on Banking, Housing, and Urban Affairs

Chair Tim Scott

Ranking Member Elizabeth Warren

Subcommittee on Digital Assets of the U.S. Senate Committee on Banking, Housing, and Urban Affairs

Chair Cynthia Lummis

Ranking Member Ruben Gallego

U.S. House Committee on Financial Services

Chair French Hill

Ranking Member Maxine Waters

Subcommittee on Digital Assets, Financial Technology, and Artificial Intelligence of the U.S.

House Committee on Financial Services

Chair Bryan Steil

Ranking Member Stephen F. Lynch

**Re:** Requesting Congressional Oversight of the President's Self-Enrichment Schemes, Including a \$25M Transaction Between Trump's World Liberty Financial Inc. and a Scandal-Plagued Foreign Crypto Firm

On behalf of non-partisan government watchdog Accountable.US, I urge you to investigate a recent multi-million-dollar transaction between President Trump's family crypto venture, World Liberty Financial Inc. (WLFI), and a Dubai-based crypto firm called DWF Labs, which has been suspected of engaging in market manipulation and whose Managing Partner is linked to Russia. Further raising concern, this fishy crypto coin deal took place just one business day before the Trump administration suddenly dismantled the U.S. Justice Department's cryptocurrency crime enforcement unit and disbanded the National Cryptocurrency Enforcement Team. Details surrounding the trading activity came to light in an April 16 *Rolling Stone* news [article](#) based on Accountable.US' findings.

The deal is emblematic of an unprecedented and rapidly worsening situation of the President of the United States using a web of Trump family crypto interests as his own personal mint while in office – interests that are largely out of public view and that almost certainly present conflicts against the public interest in many cases, including threats of foreign influence and to US national security. It is not even 100 days into the president's second term, and Donald Trump has already been accused of [ending an investigation into a major crypto mogul business associate](#), launching [a scheme to enrich himself based on tariff policy](#), and [launching a stablecoin](#) as [his administration pushed for stablecoin legislation to move forward in Congress](#).

Just days before Trump's second presidential inauguration, Trump and First Lady Melania Trump reportedly made [nearly \\$100 million](#) from crypto "[meme](#)" coins, a move that widely [alarmed ethics experts](#) for its potential for facilitating corruption and foreign influence. Those concerns were further elevated with the recent announcement that on May 22, the President will attend [a private dinner "with the top 220 holders of the Trump memecoin"](#) between the April 23 to May 12 time period – essentially setting up a race between wealthy investors of who can buy more influence with the President while the Trump family gets richer in the process. One of the event taglines even disturbingly reads: "[Own a Piece of Trump.](#)"

The President is clearing the way for corruption and self-enrichment. He could have fully divested from all crypto interests given their near-limitless potential for corruption and self-dealing. Instead, Trump continues to push the envelope and open new pathways for foreign, corporate and bad actors to pay tribute to him off the books, expecting who knows what in return. From firing independent inspectors general and other watchdogs, gutting checks and balances, and politicizing and defanging other federal law enforcement, the Trump administration has put a "for sale" sign on the White House to attract the highest bidders, while everyday Americans suffer under a chaotic economy, higher costs, and the looming loss of healthcare, Social Security, education, veterans benefits, and other vital services. Within just the first 100 days of the Trump administration, the President has moved to decrease transparency, enrich himself and hamper the ability to detect and deter financial crime by:

- [Gutting of the Corporate Transparency Act](#) (CTA)
- [Freezing Foreign Corrupt Practices Act \(FPCA\) Enforcement](#)
- [Disbanding the KleptoCapture Task Force](#)
- [Firing of Examiners, Investigators, and Prosecutors](#)
- [Offering \\$5M Golden Visas for Citizenship](#)
- [Accepting \\$5M to gain access at Mar-a-Lago](#)
- [Dismantling the Consumer Protection Financial Bureau](#) (CFPB)
- [Selling and Trading Trump Memecoins](#)
- [Disbanding of the DOJ National Cryptocurrency Enforcement Team](#) (NCET)

## **Background on DFW Labs and Trump's World Liberty Financial:**

[World Liberty Financial](#) was launched in the fall of 2024 with the [goal](#) of "allow[ing] people to access financial services using cryptocurrencies and without intermediaries like banks in what is called decentralized finance, or DeFi." As of April 21, 2025, the project has no public DeFi platform. Despite having no publicly available platform, "World Liberty said in mid-March it had raised \$550 million selling so-called governance tokens [WLFI.] Most of those sales took place after Trump's election win in November" [according to Reuters](#).

Also [according to Reuters](#):

*As its fundraising got traction, World Liberty disclosed in January that the Trump family had taken control of the business, a review of changes in the fine print on World Liberty's*

website shows. Two of its co-founders, crypto entrepreneurs Zak Folkman and Chase Herro, were replaced as the controlling parties of World Liberty by an entity in which the Trump family holds a 60% stake.

Overall, the Trump family now has a claim on 75% of net revenues from token sales and 60% from World Liberty operations once the core business gets going. The arrangement means the Trump family is currently entitled to about \$400 million in fees. After World Liberty's co-founders take their cut, the crypto venture will be left with 5% of the \$550 million raised to date to build the platform, according to Reuters calculations.

Additionally, [Reuters](#) spoke with professors who research cryptocurrencies and had the following to say about the \$WLFI token:

*The arrangements, including the Trump family's large share of the project's revenues and the non-tradeable nature of the governance tokens, make World Liberty unusually centralized for the industry, according to a survey of the practices of the five largest DeFi lending platforms and interviews with four U.S. academics who study the crypto industry.*

*"It's hard for me to see any economic benefit to the owner of these tokens," said Jim Angel, an associate professor at Georgetown University who has written about DeFi regulation.*

*David Krause, a longtime finance professor at Marquette University in Milwaukee who recently published a study of World Liberty, said that the structure of the project "pretty much excludes public investors or token holders from any meaningful financial participation."*

[DWF Labs](#) is a [Dubai](#)-based company and claims to be "[one of the world's largest high-frequency cryptocurrency trading entities](#)."

The company's Managing Partner is [Uzbekistan-born](#) Andrei Grachev who previously [stepped down](#) as CEO of [Moscow-based](#) crypto exchange Huobi Russia after [multiple scandals](#). Huobi was later found to [potentially violate U.S. sanctions](#) by allowing customers of sanctioned Russian banks.

Notably, Grachev was also [Vice President of Trading](#) for RACIB, a non-profit "[closely related](#)" to Russian state-owned bank VEB, where Grachev worked with [Vladimir Demin](#), a senior manager for Russian state-affiliated VEB Ventures who would go on to join Grachev in [co-founding](#) DWF Labs' predecessor, VRM.trade.

In May 2024, *The Wall Street Journal* reported that DWF Labs was suspected of [market manipulation](#) by investigators at Binance, the world's [largest cryptocurrency](#) exchange, who found over \$300 million in suspicious wash trades. Traders engage in wash trading to "[create a false impression of market activity](#)."

Now, **World Liberty Financial** and **DWF Labs** have entered into a new partnership that demands Congressional oversight based on the series of events surrounding the deal.

## Timeline of Key Events:

- **October 9, 2024:** The Biden administration DOJ announces [charges](#) against 18 international crypto wash traders in a major sting operation. The National Cryptocurrency Enforcement Team, which was later disbanded by the Trump administration, was among the offices [involved](#) in the sting operation.
- **Friday, April 4, 2025:** DWF transfers [25 million \\$USDC tokens](#) to World Liberty Financial, ostensibly to purchase [250 million \\$WLFI tokens](#), making DWF one of \$WLFI's [25-biggest](#) holders.
- **Monday, April 7, 2025:** the Trump administration [disbands](#) the DOJ's cryptocurrency crime enforcement unit, reassigning crypto market integrity prosecutors, and slashing the national cryptocurrency enforcement team— *the same team* that has [prosecuted](#) market-manipulating wash traders, among other bad crypto actors. We share the [serious concerns raised](#) by Senators Warren, Hirono, and Durbin about this “decision to give a free pass to cryptocurrency money launderers” and that “drug traffickers, terrorists, fraudsters, and adversaries will exploit this vulnerability on a large scale.”
- **April 16th, 2025:** Grachev [announces](#) that DWF Labs' is “expand[ing] to the US market” with a new office in New York City, while in the same social media post praises Eric Trump and WLFI [co-founder](#) Zach Witkoff by name: [“Happy to support big things that you \[...\] @ZachWitkoff @EricTrump \[...\] are building. LFG!”](#)

These facts raise serious questions in our view:

- Why did the Trump administration squash its crypto crime unit one business day after a Russia-tied foreign investor suspected of illegal market manipulation poured millions into one of the opaque Trump family crypto ventures?
- Was the DOJ's crypto crime unit, the National Cryptocurrency Enforcement Team, or any of their financial crime enforcement partners investigating DWF Labs before the DOJ unit was shuttered?
- In 2024, DOJ and the Treasury Department's Financial Crimes Enforcement Network (FinCEN) [appointed](#) compliance monitors as part of Binance's settlements for alleged money-laundering and sanctions violations. Have these compliance monitors found any evidence to corroborate [reports](#) that Binance's internal investigators found that DWF Labs made over \$300 million in wash trades? Have these monitors found any other suspicious activity by DWF Labs?
- What would this suspicious foreign crypto firm want in return for their substantial investment in Trump's WLFI? Are DWF Labs, Andrei Grachev, Vladimir Demin, or any of their associates in contact with President Trump or his administration, specifically advising on cryptocurrency policy or other matters?

- In mid-April 2025, shortly after its WLFI deal, DWF Labs [announced](#) its expansion into the U.S., with a new office in New York City. Has DWF Labs taken the proper compliance, registration, and licensing steps to operate in the country after operating in foreign jurisdictions?
- If this transaction turns out to be a quid pro quo involving administration policy, what exactly do the American people stand to lose?
- Why has the president positioned himself to appear open to possible corruption and self-enrichment by maintaining ties to his largely unregulated crypto interests, even expanding them since taking office?

We urge you to conduct congressional oversight of President Trump and the Trump family's foreign personal business dealings, generally, and regarding digital assets and the DWF Labs transaction specifically.

If the President's personal business interests continue to receive foreign money and other highly unusual and unethical, if not illegal, investments, the American people should know what these investors expect in return. Who are these anonymous investors? Crypto and other entities seeking to end oversight, investigations, and accountability for lawbreaking? Big oil companies that want the administration to further gut clean air and water protections? Big drug companies that want Trump to let them off the hook from negotiating cheaper drug prices with Medicare? Wall Street banks or predatory lenders that want federal probes into their anti-consumer behavior to magically go away?

These kinds of arrangements could allow for the Trump family to sell out the interests of the American people to the highest bidder, whether foreign or domestic. This a 5-alarm fire for potential corruption that could leave everyday Americans worse off, and Congress should act accordingly.

We look forward to assisting you as you investigate this matter further.

Best regards,

*Caroline Ciccone*

[Caroline Ciccone \(Apr 25, 2025 11:45 EDT\)](#)

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President, Accountable.US