

# Congress of the United States

Washington, DC 20515

September 17, 2025

The Honorable Paul Atkins  
Chair  
U.S. Securities and Exchange Commission  
100 F St NE  
Washington, D.C. 20549

Cicely LaMothe  
Acting Director  
Division of Corporation Finance  
U.S. Securities and Exchange Commission  
100 F St NE  
Washington, D.C. 20549

Dear Chair Atkins and Acting Director LaMothe:

We write to express serious concerns about Tron founder Justin Sun and President Trump's business ties and their potential for conflict of interest and foreign influence, including the Securities and Exchange Commission's (SEC) decision under the Trump Administration to abandon its fraud lawsuit against Mr. Sun. Furthermore, Mr. Sun's decision to take his company public, potentially with the assistance of members of the Trump family, raises significant national security and investor protection concerns. We urge the SEC to commit to ensuring full oversight of Mr. Sun and his company's attempts to access U.S. capital markets, with particular attention to his concerning ties to President Trump and his family.

Mr. Sun is the founder of a Singapore-based company called Tron, which operates a blockchain platform and has its own cryptocurrency known as 'TRX'. Mr. Sun's company has long been the object of controversy and investigations. According to a 2023 report by the Treasury Department's Financial Crimes and Enforcement Network (FinCEN), the Tron platform has been "growing in popularity among illicit actors."<sup>1</sup> For years, Mr. Sun has allegedly avoided traveling to the U.S. due to legal concerns, in part because the Department of Justice (DOJ) had reportedly been investigating him for suspected financial crimes since 2021.<sup>2</sup> Separately, the SEC in 2023 sued Mr. Sun for orchestrating an alleged scheme to fraudulently inflate the price of his TRX cryptocurrency, which allowed him to generate \$31 million in alleged illegal proceeds.<sup>3</sup>

Mr. Sun's fears seemingly dissipated after President Trump was re-elected in November 2024. Following the election, Mr. Sun made sizable investments in two cryptocurrency projects that directly enriched the President and his family. Mr. Sun is one of the largest publicly-known investors in both the \$TRUMP memecoin<sup>4</sup> and in World Liberty Financial (WLF),<sup>5</sup> a decentralized finance project backed by President Trump and his family.<sup>6</sup> Mr. Sun has invested a total of \$75 million in WLF.<sup>7</sup> Mr. Sun's multi-million-dollar investments in the

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<sup>1</sup> "A Crypto Billionaire Who Feared Arrest in the U.S. Returns for Dinner With Trump," 22 May 2025, <https://www.wsj.com/finance/currencies/justin-sun-trump-dinner-7efd5367>.

<sup>2</sup> *Id.*

<sup>3</sup> "SEC Charges Crypto Entrepreneur Justin Sun and His Companies for Fraud and Other Securities Law Violations," 22 Mar. 2023, <https://www.sec.gov/newsroom/press-releases/2023-59>.

<sup>4</sup> @justinsuntron, 20 Jan. 2025, <https://x.com/justinsuntron/status/1924676460461310008>.

<sup>5</sup> @justinsuntron, 25 Nov. 2024, <https://x.com/justinsuntron/status/1861121947372773545>.

<sup>6</sup> "Trump Raked in \$57.3 Million From Crypto Venture, Per White House Financial Disclosures," 14 Jun. 2025, <https://www.rollingstone.com/politics/politics-news/trump-income-57-million-crypto-venture-financial-disclosure-1235365026/>.

<sup>7</sup> "Tron founder Justin Sun says he's the top \$TRUMP meme coin holder," 20 May 2025, <https://www.cnbc.com/2025/05/20/justin-sun-trump-dinner.html>.

memecoin<sup>8</sup> have yielded little personal return but have generated an estimated \$400 million for the President and his family.<sup>9</sup>

After investing heavily in the President's cryptocurrency dealings, in February 2025, Mr. Sun and Trump's SEC sent a joint letter asking the federal judge overseeing the SEC's 2023 case to halt proceedings.<sup>10</sup> The judge summarily granted the motion.<sup>11</sup> In May, Mr. Sun attended an exclusive dinner and private reception with President Trump at his golf course located outside of Washington, D.C.<sup>12</sup> Only the top investors in President Trump's memecoin were present, raising clear conflicts of interest and the potential for undue influence.

Mr. Sun's investments in the President's cryptocurrency ventures have only grown, as Mr. Sun recently reportedly committed to buying another \$100 million worth of the President's memecoin, money directly benefitting the President and his family. President Trump reported that he earned \$57 million from WLF last year, representing one of the President's largest sources of income.<sup>13</sup> Recent estimates indicate that the Trump family generated about \$390 million from sales of WLF's cryptocurrency token.<sup>14</sup>

Importantly, WLF's cryptocurrency has unique characteristics that may implicate federal securities laws and has the potential to harm everyday investors. The WLF token is the mechanism that Mr. Sun used to funnel tens of millions of dollars to the President and his family. Initially, WLF was sold exclusively to wealthy and sophisticated investors under the SEC's Regulation D offering exemption and was locked from being traded.<sup>15</sup> This meant that Mr. Sun's investment was likely motivated by a desire for political favor, as there was no apparent economic benefit. However, on September 1, 2025, WLF's token became transferable and available to inexperienced investors on popular U.S. cryptocurrency exchanges, such as Coinbase and Kraken,<sup>16</sup> adding up to \$5 billion to President Trump's personal net worth.<sup>17</sup> Should Mr. Sun sell his token holdings, the price could collapse, and everyday investors could lose their savings. This token offering should have been registered with the SEC, which would entitle investors to the full protections of the securities laws.

Lastly, Mr. Sun recently took Tron public in a reverse merger with a small Nasdaq-listed company that sells toys and souvenirs to theme parks.<sup>18</sup> This move raises financial and national security risks due to Mr. Sun and

<sup>8</sup> "Crypto Tycoon Justin Sun's Tron Group to Go Public in U.S. via Reverse Merger," 16 Jun. 2025, <https://www.wsj.com/finance/currencies/crypto-group-tron-to-go-public-in-u-s-via-reverse-merger-with-srm-entertainment-598cda51>.

<sup>9</sup> "Justin Sun—Trump's Crypto Guardian Angel—Will Be The Next Billionaire In Space," 22 Jul. 2025,

<https://www.forbes.com/sites/maryroeloffs/2025/07/22/justin-sun-trumps-crypto-guardian-angel-will-be-the-next-billionaire-in-space/>.

<sup>10</sup> Letter Re: *SEC v. Sun*, et al., 26 Feb. 2025, <https://storage.courtlistener.com/recap/gov.uscourts.nysd.596044/gov.uscourts.nysd.596044.82.0.pdf>.

<sup>11</sup> Memo Endorsed for Letter Re: *SEC v. Sun*, et al., 27 Feb. 2025,

<https://storage.courtlistener.com/recap/gov.uscourts.nysd.596044/gov.uscourts.nysd.596044.83.0.pdf>.

<sup>12</sup> "Wealthy foreign crypto investors descend on President Trump's golf club for \$148 million meme coin dinner," 22 May 2025,

<https://www.reuters.com/world/us/trump-draws-global-crypto-investors-with-148-million-meme-coin-dinner-2025-05-22/>.

<sup>13</sup> "Trump Made \$57.4 Million From World Liberty Financial, New Filing Discloses," 14 Jun. 2025,

<https://www.forbes.com/sites/zacheverson/2025/06/14/trump-world-liberty-financial-crypto-earnings-financial-disclosure/>.

<sup>14</sup> "Trump's \$620 Million of Quick Crypto Riches Reshapes His Fortune," 2 Jul. 2025,

<https://www.bloomberg.com/news/features/2025-07-02/donald-trump-net-worth-620-million-of-crypto-wealth-reshapes-fortune>.

<sup>15</sup> "Crypto Project World Liberty Financial, Promoted by Trump Family, Confirms Plan for Token," 17 Sep. 2024,

<https://www.coindesk.com/markets/2024/09/17/crypto-project-world-liberty-financial-promoted-by-trump-family-confirms-plan-for-token>.

<sup>16</sup> "Trump-Backed World Liberty Token Falls 50% From Peak—But Early Buyers Are Still in Profit," 4 Sep. 2025,

<https://finance.yahoo.com/news/trump-backed-world-liberty-token-163545443.html>.

<sup>17</sup> "Trump Family Amasses \$5 Billion Fortune After Crypto Launch," 1 Sep. 2025, <https://www.wsj.com/finance/currencies/trump-family-amasses-6-billion-fortune-after-crypto-launch-567faec5?st=gXdmA3>.

<sup>18</sup> "Crypto group Tron to go public after US pauses probe into billionaire founder," 16 Jun. 2025, <https://www.ft.com/content/13a6cead-af71-4811-9b90-553f233ac45f>.

his company's ties to the Chinese Communist Party (CCP). Mr. Sun has bragged to former colleagues about his connections to the Chinese government<sup>19</sup> and has held official positions, including as a member of the Chinese People's Political Consultative Conference.<sup>20</sup> Additionally, Tron has been linked to a criminal organization that is reportedly connected to the CCP.<sup>21</sup>

The toy manufacturer, known as SRM Entertainment, acquired and rebranded as Tron Inc. in a \$210 million deal facilitated by Dominari Securities, an investment bank located in Trump Tower, which lists Donald Trump Jr. and Eric Trump on its advisory board.<sup>22</sup> The SEC has previously identified instances of fraud and other abuses involving reverse merger companies.<sup>23</sup> Reverse merger transactions can enable private companies to bypass the disclosures, scrutiny, and months-long process associated with a formal Initial Public Offering (IPO).<sup>24</sup> Reverse mergers involving foreign companies may also pose increased risks to investors, such as potential accounting and auditing fraud. Chinese companies utilized the reverse merger process to defraud investors of \$34 billion between 2007 and 2010.<sup>25</sup> In addition, the SEC has initiated fraud investigations and halted trading for more than 40 Chinese companies that accessed U.S. markets through these transactions.<sup>26</sup>

Given the litany of issues associated with Mr. Sun's investments in the President's cryptocurrency ventures and his plans to take Tron public through the reverse merger process, we request that the SEC ensure that Tron Inc. meets the rigorous standards necessary to be listed on U.S. stock exchanges, and respond to the following questions by no later than October 2, 2025.

1. Did any SEC staff communicate with any White House officials or persons affiliated with the Trump family regarding the decision to request a stay in the *SEC v. Sun, et al.* case?
  - a. If so, please list the dates of those communications and the individuals involved.
2. Did any SEC staff communicate with Mr. Sun directly or with his counsel prior to sending the joint letter requesting a stay in the *SEC v. Sun, et al.* case?
  - a. If so, please list the dates of those communications and summarize the content of such communications.
3. Did any SEC staff communicate with any White House officials or persons affiliated with the Trump family prior to the publication of the SEC's Staff Statement on Meme Coins?
  - a. If so, please list the dates of those communications and the individuals involved.

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<sup>19</sup> "Crypto billionaire Justin Sun graces the daily cover of Forbes," 27 Mar. 2025, <https://www.mitrade.com/insights/news/live-news/article-3-723868-20250328>.

<sup>20</sup> "Buyer With Ties to Chinese Communist Party Got V.I.P. Treatment at Trump Crypto Dinner," 6 Jun. 2025, <https://www.nytimes.com/2025/06/06/us/politics/trump-crypto-dinner-china-he-tianying.html>.

<sup>21</sup> "Investigator Alleges Drug Cartel Links to Tron and Ethereum Crypto Wallets — Here's What You Need to Know," 23 Oct. 2023, <https://cryptonews.com/news/investigator-alleges-drug-cartel-links-tron-ethereum-crypto-wallets/>.

<sup>22</sup> *Id.*

<sup>23</sup> "Investor Bulletin: Reverse Mergers," <https://www.sec.gov/investor/alerts/reversemergers.pdf>.

<sup>24</sup> "Shell Games: Chinese Reverse Merger Fraud," May 2020, [https://bush.tamu.edu/wp-content/uploads/2020/05/V11-5\\_Chinese\\_Reverse\\_Merger\\_-\\_Fraud\\_Takeaway.pdf](https://bush.tamu.edu/wp-content/uploads/2020/05/V11-5_Chinese_Reverse_Merger_-_Fraud_Takeaway.pdf).

<sup>25</sup> *Id.*

<sup>26</sup> *Id.*

4. How many complaints related to fraud, market manipulation, or other wrongdoing has the SEC received concerning Mr. Sun and how has the Commission dealt with such complaints?
5. Can the SEC commit to:
  - a. Ensuring that any settlement agreement in *SEC v. Sun, et al.* protects the American public by placing Tron on the debarment list; and
  - b. Prohibiting Tron from engaging in future fraudulent activities similar to those under investigation.
6. Dominari Securities was the only firm responsible for finding investors and raising money for SRM Entertainment<sup>27</sup> to purchase \$210 million worth of TRX cryptocurrency tokens.<sup>28</sup> Eric Trump reportedly holds an advisory role at investment firm Dominari Securities, and is reportedly expected to assume a role at Tron Inc.<sup>29</sup> If applicable, has the firm disclosed Eric Trump and Donald Trump Jr.'s involvement in this transaction?
  - a. If so, has Dominari Securities disclosed these potential conflicts of interest in its amended Form ADV Part 1A and Part 2A?
  - b. If applicable, what steps has the firm taken to manage these potential conflicts of interest?
7. Did SRM Entertainment report the reverse merger deal in its Form 8-K within the required timeframe of 4 business days after the completion of the transaction?
  - a. If not, please outline what action the SEC plans to take to address this violation.
8. Did SRM Entertainment include the appropriate audited financial statements for the acquired private company (Tron) in its Form 8-K?
  - a. If not, by what date did SRM Entertainment indicate that the required financial statements would be filed?
9. Typically, in a reverse merger, the acquiring entity will retain the same auditor as the registrant.<sup>30</sup> According to a recent filing,<sup>31</sup> M&K CPAs, PLLC, a PCAOB-registered accounting firm, performs auditing services for SRM Entertainment. Has Tron Inc. filed the appropriate Form 8-K and notified the SEC or PCAOB whether it will retain the same auditor?
  - a. If not, please provide the name of the company that has been hired to perform auditing work.
10. In its 2023 investigation of Mr. Sun, did the SEC consider Mr. Sun's close affiliation with the Chinese Communist Party (CCP) and his likely status as a Politically Exposed Person (PEP) under the Anti-Money Laundering and Bank Secrecy Act (BSA/AML) framework, as a potential vehicle for fraud or a risk to national security?

<sup>27</sup> All references herein to SRM Entertainment shall be deemed to include Tron Inc.

<sup>28</sup> "Crypto Tycoon Justin Sun's Tron Group to Go Public in U.S. via Reverse Merger."

<sup>29</sup> "Crypto group Tron to go public after US pauses probe into billionaire founder."

<sup>30</sup> "Topic 12: Reverse Acquisitions and Reverse Recapitalizations," <https://dart.deloitte.com/USDART/home/accounting/sec/financial-reporting-manual/topic-12-reverse-acquisitions-reverse-recapitalizations>.

<sup>31</sup> M&K CPAS, PLLC Firm Summary, [https://rasr.pcaobus.org/Firms/FirmSummaryPublic.aspx?](https://rasr.pcaobus.org/Firms/FirmSummaryPublic.aspx?FirmID=48324BF8051302D5B3A42D07505E0E2A)

[FirmID=48324BF8051302D5B3A42D07505E0E2A](https://rasr.pcaobus.org/Firms/FirmSummaryPublic.aspx?FirmID=48324BF8051302D5B3A42D07505E0E2A).

11. Has the SEC investigated claims that allege 17 out of the top 20 Tron wallets were created and owned by a criminal organization that is connected to the CCP?<sup>32</sup>
- a. If not, will the SEC commit to initiating such an investigation?

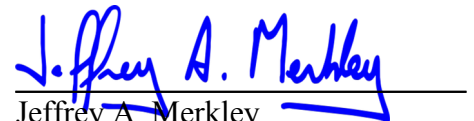
Thank you for your attention to this important matter.

Sincerely,



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Sean Casten  
Member of Congress



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Jeffrey A. Merkley  
United States Senator

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<sup>32</sup> “Investigator Alleges Drug Cartel Links to Tron and Ethereum Crypto Wallets — Here’s What You Need to Know.”