



February 23, 2026

Duane Townsend
Acting Inspector General
U.S. Department of Commerce
Office of Inspector General
1401 Constitution Ave N.W.
Washington, DC 20230

Dear Mr. Townsend,

We write to request that your office immediately launch a formal investigation to assess the propriety of the Department of Commerce's decision to authorize the sale of advanced artificial intelligence chips to G42, a state-backed AI company based in the United Arab Emirates (UAE). In particular, we call on your office to determine whether the sale was premised on, in exchange for, or otherwise influenced by foreign investment by a top UAE official in the Trump family's crypto venture, World Liberty Financial, that reportedly resulted in a \$187 million windfall to President Trump and his family.¹

Last month, *The Wall Street Journal* broke the story that on January 16, 2025, mere days before President Trump's inauguration, agents of Sheikh Tahnoon bin Zayed Al Nahyan—an Abu Dhabi royal who is the UAE's top national security official and the Chairman of G42—signed an undisclosed deal with the Trump family to purchase a 49% stake in World Liberty Financial for \$500 million.² Pursuant to the deal, a Tahnoon-backed company called Aryam Investment 1 (Aryam) made an upfront payment of \$250 million, approximately 75% of which was directed to DT Marks DEFI LLC and DT Marks SC LLC, entities that President Trump personally co-owns with members of his family.³ In addition, the deal provided for two Aryam executives, who also held top positions at G42, to be placed on World Liberty Financial's five-person board.⁴

Even a cursory review reveals serious anomalies with the deal. Analysts have observed that the public terms of the transaction made little financial sense for Tahnoon.⁵ When the deal

¹ Sam Kessler, et al., 'Spy Sheikh' Bought Secret Stake in Trump Company, *THE WALL STREET JOURNAL*, (Jan. 31, 2026), <https://www.wsj.com/politics/policy/spy-sheikh-secret-stake-trump-crypto-tahnoon-ea4d97e8?mssockid=3da182519d1667ae064094489c116663>.

² *Id.*

³ *Id.*

⁴ *Id.*

⁵ Kyle Khan-Mullins & Zach Everson, *Why the Trump-UAE Crypto Deal Made No Financial Sense—For the Emiratis*, *FORBES* (Feb. 2, 2026),

closed, World Liberty Financial offered no products, and up until that time, World Liberty Financial's only business activity to date involved raising \$82 million by selling a governance token called \$WLFI.⁶ And yet, the agreement did not grant Aryam a share of the proceeds from future governance token sales, "leaving the Tahnoon-backed entity out of what was then the company's only source of revenue."⁷ The only discernible benefit Tahnoon received from his investment in World Liberty Financial appears to be favorable treatment by the Trump administration in connection with his years-long effort to obtain advanced AI hardware from the United States.⁸

Remarkably, this was not the only time Tahnoon was associated with a major financial transaction in an apparent ploy to pad the Trump family's coffers. In March 2025, another Emirati investment group backed by Tahnoon, MGX, invested \$2 billion in the Binance crypto exchange and settled the transaction using USD1, a stablecoin that World Liberty Financial was just bringing to market.⁹ By doing so, MGX helped USD1 grow its market cap from \$127 million to over \$2 billion in a matter of a few weeks, making it one of the largest stablecoins in the world and deepening World Liberty Financial's annual revenue—and the Trump family's profit—by tens of millions of dollars.¹⁰

To be clear, these transactions cannot be considered in isolation. They are part of a series of questionable foreign investments in World Liberty Financial, often occurring in close proximity to favorable regulatory or enforcement actions by the Trump administration. For example, in February 2025, the Trump administration halted federal enforcement efforts against Justin Sun, the Chinese-born founder of the Tron cryptocurrency exchange (now reportedly a citizen of Saint Kitts and Nevis), after Sun had invested a total of \$75 million over time into World Liberty Financial's \$WFLI token.¹¹ Similarly, on October 23, 2025, President Trump pardoned Changpeng "CZ" Zhao, the founder of Binance who pleaded guilty to money laundering in connection with Binance's own guilty plea and \$4.3 billion settlement with the Department of Justice, after Binance spent months boosting World Liberty Financial and netting President Trump hundreds of millions of dollars.¹²

<https://www.forbes.com/sites/kylemullins/2026/02/02/why-the-trump-uae-crypto-deal-made-no-financial-sense-for-the-emiratis/>.

⁶ Kessler, *supra* nt. 1.

⁷ *Id.*

⁸ *Id.*

⁹ David Yaffe-Bellany, *Binance Gives Trump Family's Crypto Firm a Leg Up*, THE NEW YORK TIMES (Feb. 7, 2026), <https://www.nytimes.com/2026/02/07/business/binance-trump-crypto.html>.

¹⁰ Leo Schwartz & Ben Weiss, *How the Trump Family Is Poised to Profit from a \$2 Billion Middle East Crypto Deal That Uses Their Stablecoin*, FORTUNE (May 7, 2025), <https://fortune.com/crypto/2025/05/07/world-liberty-financial-wlfi-trump-binance-mgx-stablecoin-deal/>.

¹¹ Allison Morrow, *A Crypto Mogul Who Invested Millions Into Trump Coins Is Getting a Reprieve on Civil Fraud Charges*, CNN (Feb. 28, 2025), <https://www.cnn.com/2025/02/28/business/crypto-mogul-trump-coins-civil-fraud-charges>.

¹² Angus Berwick et al., *How a Billionaire Felon Boosted Trump's Crypto Company en Route to a Pardon*, THE WALL STREET JOURNAL (Oct. 29, 2025), https://www.wsj.com/finance/currencies/binance-trump-crypto-pardon-cz-changpeng-zhao-1007fde9?gaa_at=eafs&gaa_n=AWEtsqctuVzEILx4WoicvIQ8yHOjRtuTP8RYqWZ30yylscZ6htAa_AQ1T32cQN0c1xc%3D&gaa_ts=699b8595&gaa_sig=LGu7Hifu3Mx7wkuqTBdXBUq9fSfteUH1XpBYxmJ2ABIHU9enBJgdZWYs3-jRNcxZcmWgB9kYwAGh9X_PpyC6g%3D%3D.

By some estimates, President Trump's crypto ventures were a major factor in President Trump's net worth jumping from \$4.3 billion in 2024 to \$7.3 billion dollars just eight months into his second term.¹³ And while President Trump uses his crypto business as a vehicle for corruption, everyday investors suffer. Holders of World Liberty Financial's \$WLFI token have publicly complained that, contrary to their investment expectations, their tokens remain locked and untradeable, and they have no power to meaningfully participate in World Liberty Financial's governance protocol.¹⁴ Moreover, World Liberty Financial's recent partnership with Alt 5 Sigma (ALTS) similarly burned investors while President Trump benefitted. After ALTS, a publicly traded company, completed a \$1.5 billion capital raise solely to stockpile \$WLFI tokens, the company reported a number of previously undisclosed adverse events that sent ALTS's stock price tumbling, including a subsidiary being found criminally liable in Rwanda for money laundering, the suspension of ALTS's CEO, the firing of its CFO, the resignation of the Chair of the company's Audit Committee, and the departure of its outside auditor, among others.¹⁵ There is no record that the Trump administration has investigated or otherwise reviewed any of these activities, all of which raise the specter of significant violations of federal and state consumer and securities laws, among other potential legal and ethical problems.

Against the backdrop of Tahnoon's secret investment in World Liberty Financial and the Trump family's immense financial windfall from that investment, the timing and circumstances of the Commerce Department's decision to permit the export of advanced AI chips to Tahnoon's company are deeply troubling.

Prior to President Trump's second term, the Commerce Department had instituted tightened export controls over the transfer of advanced semiconductor chips to some countries in the Middle East, including the UAE.¹⁶ These tightened export controls were put in place out of concerns that the Middle East, and G42 in particular, could become a conduit to China.¹⁷ U.S. intelligence had long warned that G42 in particular may have provided technology enhancements to China's military,¹⁸ and G42's current CEO reportedly worked with Chinese engineers to

¹³ Dan Alexander & Kyle Khan-Mullins, *Here's How Much Donald Trump Is Worth*, FORBES (Sept. 18, 2025), <https://www.forbes.com/sites/danalexander/article/the-definitive-networth-of-donaldtrump/>.

¹⁴ TradingView News, *WLFI Faces Backlash After Insider-Heavy Wallets Control USD1 Growth Proposal*, (Jan. 20, 2026), <https://www.tradingview.com/news/invezz:878573f30094b:0-wlfi-faces-backlash-after-insider-heavy-wallets-control-usd1-growth-proposal/>.

¹⁵ David William Helin, *ALT5 Sigma's Steady Slide Since Ringing Nasdaq's Bell Last Summer*, MEDIUM (Dec. 8, 2025), <https://medium.com/@globalist09/alt5-sigma-s-steady-slide-since-ringing-nasdaq-s-bell-last-summer-05cac6f5e620>; Hagens Berman Sobol Shapiro LLP, *ALT5 Investor Alert: Hagens Berman Investigates ALT5 Sigma (ALTS) Over Auditor Resignation and Potentially False Financials* (Dec. 11, 2025), <https://www.prnewswire.com/news-releases/alt5-investor-alert-hagens-berman-investigates-alt5-sigma-alt5-over-auditor-resignation-and-potentially-false-financials-302634542.html>.

¹⁶ Joe Middleton, *US restricts exports of Nvidia AI chips to Middle East*, THE GUARDIAN (Aug. 31, 2023), <https://www.theguardian.com/technology/2023/aug/31/us-restricts-exports-of-nvidia-ai-chips-to-middle-east>; Nour el Souki, *US Reviving AI Chip Shipments to Fuel Wars in the Middle East*, INSIDE TELECOM (Oct. 1, 2024), <https://insidetelecom.com/export-restrictions-by-the-us/>.

¹⁷ Mark Mazzetti & Edward Wong, *Inside U.S. Efforts to Untangle an A.I. Giant's Ties to China*, THE NEW YORK TIMES (Nov. 27, 2023), <https://www.nytimes.com/2023/11/27/us/politics/ai-us-uae-china-security-g42.html>.

¹⁸ Demetri Sevastopulo, *China upgraded missiles using UAE technology, Biden spies said*, FINANCIAL TIMES (Oct. 25, 2025), <https://www.ft.com/content/a1882789-d283-4bf9-a3df-19b1b7ce9799>.

develop surveillance technologies.¹⁹ Lawmakers, intelligence agencies, and even then U.S. National Security Advisor, Jake Sullivan, had raised concerns about G42's extensive relationship with China.²⁰ Tahnoon and G42 mounted a lobbying blitz in the ensuing months, yet in January 2025 the Commerce Department promulgated an interim final rule that instituted a robust AI Diffusion Framework preventing the export of advanced semiconductor chips to countries like the UAE.²¹

Less than a year after taking office, the Trump administration's Commerce Department reversed course, finalizing a deal to send cutting-edge AI technology directly to G42 in November 2025.²² According to public reporting, officials within the Trump administration objected to exporting these chips to the UAE out of concern that such a deal would result in China accessing advanced semiconductor technology and using it to enhance its military capabilities.²³ Those concerns were evidently ignored.

Tahnoon's previously undisclosed investment in the Trump family's private business *at the same time* Tahnoon and G42 were seeking to influence the federal government's export policies cast the Trump administration's sudden and unprecedented about face in a new light. G42's financial investment in World Liberty Financial gives every appearance of being an attempt to influence the incoming Trump administration's semiconductor chip export policies. At the very least, G42's stake in World Liberty Financial created a staggering and unprecedented conflict of interest while the Trump administration was setting American foreign policy with respect to the UAE.

The President should never have been in this situation. The Foreign Emoluments Clause of the Constitution, which prohibits the President from accepting "any present, Emolument, Office, or Title, of any kind whatever, from any King, Prince, or foreign State" without the consent of Congress, was enacted to prohibit foreign nations from using their wealth to influence the President and other high officers.²⁴ The G42-MGX-World Liberty Financial relationship, which has resulted in hundreds of millions of dollars of revenue to President Trump and his family, represents perhaps the most profound foreign emoluments issue our nation has ever faced. Even worse is that it appears to be working. The evidence suggests that G42 may have *actually influenced* the Trump administration's foreign policy as a result of this arrangement.

¹⁹ Mazzetti & Wong, *supra* nt. 17.

²⁰ *Id.* See also Guy Laron, *Trump's Road to Riyadh: The Geopolitics of AI and Energy Infrastructure*, 9 American Affairs (Fall 2025),

<https://americanaffairsjournal.org/2025/08/trumps-road-to-riyadh-the-geopolitics-of-ai-and-energy-infrastructure/>.

²¹ 90 Fed. Reg. 4544 (Jan. 15, 2025),

<https://www.federalregister.gov/documents/2025/01/15/2025-00636/framework-for-artificial-intelligence-diffusion>.

²² Robbie Whelan & Amrith Ramkumar, *U.S. Approves Deal to Sell AI Chips to Middle East*, THE WALL STREET JOURNAL (Nov. 19, 2025), <https://www.wsj.com/tech/ai/u-s-approves-deal-to-sell-ai-chips-to-middle-east-79d68f36>.

²³ Amrith Ramkumar & Eliot Brown, *National-Security Concerns Tie Up Trump's U.A.E. Chips Deal*, THE WALL STREET JOURNAL (July 16, 2025),

<https://www.wsj.com/politics/national-security/national-security-concerns-tie-up-trumps-u-a-e-chips-deal-a0273815>;

Alasdair Phillips-Robins, *Don't Offshore American AI to the Middle East*, FOREIGN POLICY (May 8, 2025);

<https://foreignpolicy.com/2025/05/08/us-chip-exports-middle-east-ai-data-centers/>.

²⁴ U.S. Const. art. I, § 9, cl. 8.

The Commerce Department's unprecedented approval of advanced AI chip exports to the UAE shortly after a foreign government provided \$2.5 billion dollars to a company owned by the President leaves the American people with the unavoidable impression that the Trump administration's policy decisions are no longer guided by what serves the public interest or what protects our national security. Rather, the inescapable inference is that Trump administration policies concerning our most sensitive advanced technology are based on whether they inure to the private benefit of Trump, his family, and their foreign investors. If true, not only does this potentially amount to the greatest corruption this country has ever seen, but it also poses a serious and grave risk to the safety and security of our country.

Your office—along with various other state and federal offices who may have jurisdiction over these unlawful deals—have the authority and the duty to shine a light on the facts underlying the Commerce Department's decision. We urge you not to shy away from fulfilling that obligation.

To determine whether the Commerce Department's approval of advanced AI chip sales to the UAE was influenced in any way by Tahnoon's previously undisclosed investment in World Liberty Financial, your investigation must address at least the following questions:

1. Was any individual involved in the Commerce Department's assessment of whether to approve the export of advanced AI chips to the UAE aware of Tahnoon's investment in World Liberty Financial?
2. Who were the U.S. officials who reportedly placed a hold on approving the sale of advanced AI chips to the UAE due to national security concerns,²⁵ and what was the basis for their reversal and determination that the national security concerns were alleviated?
3. Did President Trump or any other White House official directly or indirectly participate in or influence the Commerce Department's decision regarding the national security risk posed by transferring advanced semiconductor chips to the UAE or any decision regarding the approval of the sale of such chips to the UAE and any related entities including G42?

We trust that you appreciate the gravity of this matter, and that you will conduct a thorough and independent review in short order.

Sincerely,

/s/
Ambassador Norman Eisen (ret.)
Executive Chair and Founder
Democracy Defenders Fund

/s/
Matthew J. Platkin
Partner
Platkin LLP

²⁵ Ramkumar & Brown, *supra* nt. 23.

/s/

Virginia Canter
Ethics and Anticorruption Chief Counsel and Director
Democracy Defenders Fund

/s/

Christopher Swartz
Senior Ethics Counsel
Democracy Defenders Fund

cc: Chairman Ted Cruz, U.S. Senate Committee on Commerce, Science, and Transportation
Ranking Member Maria Cantwell, U.S. Senate Committee on Commerce, Science, and Transportation
Chairman Brett Guthrie, U.S. House Committee on Energy and Commerce
Ranking Member Frank Pallone, U.S. House Committee on Energy and Commerce
The Honorable Howard Lutnick, U.S. Secretary of Commerce
The Honorable Marco Rubio, U.S. Secretary of State
The Honorable Scott Bessent, U.S. Secretary of the Treasury
Acting Inspector General Arne Baker, U.S. Department of State
Acting Inspector General Loren Scieurba, U.S. Department of the Treasury