

United States Senate

COMMITTEE ON
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
WASHINGTON, DC 20510-6250

April 1, 2026

VIA EMAIL

Mr. Richard Teng
Chief Executive Officer
Binance Holdings Ltd.
c/o Sertus Chambers
Governors Square, Suite 5-204
23 Lime Tree Bay Avenue
P.O. Box 2547
Grand Cayman KY1-1104

Dear Mr. Teng:

I write regarding Binance's March 6, 2026 response to my letter on behalf of the Senate Permanent Subcommittee on Investigations ("PSI" or "the Subcommittee"), wherein Binance denied and appeared to minimize reported money laundering and terrorist financing by its partners and customers.¹ Based on subsequent reporting, I am concerned that Binance may have provided misrepresentations or misleading information to the Subcommittee and to the public. I therefore request all documentation and records that Binance relied on to base its response to the Subcommittee. I further request that Binance produce all records requested in my February 24 letter.

On February 24, 2026, I wrote to Binance requesting records related to the use of Binance by Iran-connected money laundering operations after reporting about illicit transfers from two of its partners, Hexa Whale and Blessed Trust. According to those reports, Binance also retaliated against compliance staff for attempting to address this money laundering. While Binance has denied knowledge of money laundering or retaliation against staff, it did not provide the information or documents requested by PSI.

Instead, Binance's response sought to downplay its cryptocurrency dealings with Iran. For example, Binance claimed that only \$110,000 was directly exchanged with four major Iranian crypto exchanges last year, when based on reports, hundreds of millions of dollars have been transferred to Iran-linked entities.² Moreover, according to your response, Binance took two

¹ Binance, *Binance's Formal Response to Recent Congressional Inquiry* (Mar. 3, 2026) <https://www.binance.com/en/blog/compliance/6264258296613630636> (hereinafter "Binance Response to Congressional Inquiry").

² *Id.* Leo Schwartz and Ben Weiss, *Inside the Binance accounts internal investigators say helped transfer more than \$1 billion to Iran-linked entities: A 79-year-old VIP Chinese trader and a suspected Iranian gold smuggler*, FORTUNE (Mar. 12, 2026) <https://fortune.com/2026/03/12/binance-accounts-iranian-entities-sanctions-chinese-vips-gold-smuggler/>

months to respond to law enforcement requests regarding terrorist financing by Hexa Whale, and another two months to remove the shell entity implicated in the transfer.³ Binance similarly took at least five months to remove Blessed Trust as a vendor after being warned about its alarming role in terrorist financing.⁴

Subsequent reporting by Fortune and the New York Times has provided more information on Blessed Trust and Hexa Whale's money laundering schemes and relationship with Binance, calling attention to obvious red flags.⁵ Binance has portrayed the network that sent the transfers as a sophisticated multi-hop operation with limited funds actually ending up in Iran.⁶ However, according to new reports, hundreds of millions of dollars in the stablecoin Tether were transferred from Blessed Trust to a VIP account registered to an elderly resident of China, who then forwarded those funds to an intermediary Iranian-linked wallet connected to terrorist groups and an Iranian exchange.⁷ Similarly, Hexa Whale reportedly transferred nearly half a billion dollars, and two Iranian Binance users sent the necessary cryptocurrency fees, directly to those same Iran-linked intermediary accounts.⁸ This occurred despite the fact that one of the Iranian nationals had been named in a United Nations Security Council report on smuggling for Iran and North Korea.⁹ Furthermore, Binance apparently either missed or ignored links between such entities and American blacklists, or even more alarmingly, labeled some of these accounts with "Don't block. Internal accounts."¹⁰ Each of these should have been warning signs to Binance.

Binance's failure to provide the Subcommittee with the full material requested in its inquiry, in addition to details in its response in relation to subsequent reporting, raises further alarms about its candor and compliance with Congressional oversight. Indeed, your response to the Subcommittee's letter suggests discrepancies and unexplained inaction by Binance. I am concerned that Binance has not taken sufficient action to prevent your platform from directly and indirectly facilitating illicit finance to Iran and Russia, despite agreements with the Department of Justice and the Financial Crimes Enforcement Network ("FinCEN"). Pursuant to Senate Resolution 94 (119th Cong.) and PSI Rule 1, please provide information and records responsive to the following requests by April 14, 2026.

1. Binance claimed in its response to the Subcommittee that reports about "indirect exposure to wallet addresses with potential ties to Iran" are "simply not true." However, later reporting by Fortune indicated that Hexa Whale and Iranian nationals directly transacted

³ Binance Response to Congressional Inquiry, *supra* note 1.

⁴ *Id.*

⁵ Schwartz, *supra* note 2; David Yaffe-Bellany and Michael Forsythe, *The Trail of Clues Leading to Iran That Binance Missed*, NEW YORK TIMES (Mar. 26, 2026) <https://www.nytimes.com/2026/03/26/technology/binance-iran-us-sanctions.html>.

⁶ Binance, *What the New Reports Got Wrong and What Our Compliance Program Actually Found* (Mar. 10, 2026) <https://www.binance.com/en/blog/compliance/519345044124745139> (hereinafter, "Binance Compliance Response").

⁷ Schwartz, *supra* note 2.

⁸ *Id.*

⁹ *Id.*

¹⁰ Yaffe-Bellany, *supra* note 3.

with the Iran-linked set of accounts labeled ‘Entity A.’¹¹ Did any Binance accounts send or receive funds with the Iran-linked ‘Entity A’ wallets?

2. Please provide all wallet addresses for the diagrams provided in Binance’s March 10, 2026 blog post.¹² Please note which addresses are associated with Binance, Hexa Whale, or Blessed Trust (or parties associated to either) and ensure that such diagrams note any off-chain transfers
3. Binance has claimed an exposure of only \$110,000 to Iranian exchanges last year in its response to the Subcommittee. Please provide the full year-over-year amount for transactions sent and received between Binance and all Iranian exchanges (including Nobitex, Wallex.ir, Excoino, Bitpin, Aban Tether, and Bit24), by exchange. Please describe your methodology and ensure that the amounts include payments where wallets were later associated with an Iranian exchange after transaction.
4. Has Binance removed, weakened, or relaxed any compliance policies, detection measures, or enforcement mechanisms that would screen, freeze, or report suspicious transactions, including measures to detect illicit indirect transfers, since January 1, 2025?
5. Binance claimed in its response to the Subcommittee that any allegations stating the company had failed to remove Iranian accounts on its platform were false. Has Binance ever declined to investigate, suspend, or remove accounts that appear to be associated with individuals or entities inside of Iran, including those using VPNs or “drop accounts” (‘know your customer’-verified accounts that are bought, stolen, or shared)?
6. Binance cited “unauthorized disclosure” as the reason for the dismissal of compliance personnel.¹³ Has Binance ever suspended, terminated, or otherwise disciplined compliance personnel who have provided information to law enforcement, management, or other personnel within Binance or entities engaged in the detection of illicit cryptocurrency activities, regardless of whether the action was taken as a result of those activities?
7. Please provide the specific dates that Blessed Trust, Hexa Whale, and any individuals associated with those entities (including the two individuals described in reporting): a) created accounts on Binance, b) engaged in transfers to Iranian or Iran-linked intermediaries, c) were identified to or by Binance as engaged in illicit transactions, d) were reported to U.S. law enforcement, e) were suspended in full by Binance, and f) were removed in full from Binance. Please provide the reason for any delays between notification and subsequent reporting or enforcement.

Please contact the Subcommittee should you have any questions about responding to these requests. Thank you for your attention to this matter.

¹¹ Schwartz, *supra* note 2.

¹² Binance Compliance Response, *supra* note 4.

¹³ Yaffe-Bellany, *supra* note 3.

Mr. Richard Teng
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Sincerely,

A handwritten signature in blue ink that reads "Richard Blumenthal". The signature is fluid and cursive, with the first name "Richard" being the most prominent.

Richard Blumenthal
Ranking Member
Permanent Subcommittee on Investigations

cc: The Honorable Ron Johnson
Chairman
Permanent Subcommittee on Investigations