

**IN THE CIRCUIT COURT OF THE ELEVENTH  
JUDICIAL CIRCUIT FOR  
MIAMI-DADE COUNTY, FLORIDA**

WORLD LIBERTY FINANCIAL LLC,

Plaintiff,

v.

YUCHEN (JUSTIN) SUN,

Defendant.

Case No.: \_\_\_\_\_

**COMPLAINT**

**JURY TRIAL DEMANDED**

Plaintiff World Liberty Financial LLC (“World Liberty” or “Plaintiff”) hereby brings this Complaint against Yuchen (Justin) Sun (“Sun” or “Defendant”). In support of its Complaint, World Liberty alleges as follows:

**NATURE OF THIS ACTION**

1. This case arises out of a campaign of defamatory statements published by Defendant Yuchen (Justin) Sun on X (formerly Twitter) to his nearly four million followers. Sun’s posts impugn World Liberty, a Florida-based decentralized finance company, and its governance integrity and business relationships, causing substantial and ongoing harm to World Liberty.

2. Sun is a prominent cryptocurrency investor whose entities purchased billions of tokens of World Liberty’s cryptocurrency, \$WLFI, through entities he owns and controls. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

subsequently learned of additional misconduct by Sun, including suspected short selling of \$WLFI tokens and straw purchases of \$WLFI tokens on behalf of undisclosed third parties.

3. To protect World Liberty and the broader community of \$WLFI holders, World Liberty swiftly froze Blue Anthem's tokens, exercising authority that was clearly and repeatedly disclosed to Sun, including publicly available terms of sale and in a Token Unlock Agreement to which Blue Anthem assented. Nevertheless, rather than work constructively with World Liberty to address the misconduct, Sun embarked on a scorched-earth pressure campaign against World Liberty to try to extract hundreds of millions of dollars from World Liberty, including having his counsel threaten litigation designed to "light World Liberty on fire" and cause the \$WLFI token price to "go to shit."

4. When World Liberty refused to capitulate to Sun's threats, Sun launched his public smear campaign. Beginning on April 12, 2026, Sun posted to his nearly four million X followers that World Liberty deceived purchasers by "embedd[ing] a backdoor blacklisting function in the smart contract used to deploy WLFI tokens," which Sun called a "trap door" and part of a "scandal[]" by "bad actors" at World Liberty. Sun also alleged that World Liberty took actions to "extract fees from users" and that World Liberty "treat[s] the crypto community as a personal ATM." Sun further claimed that World Liberty's pioneering governance process was "not conducted through a fair or transparent process" and that outcomes of governance votes were "predetermined."

5. Sun followed up with three additional posts repeating and amplifying these false claims, attacking a new governance proposal as an "absurd governance scam" and "coercion."

Collectively, Sun's posts were viewed millions of times and generated widespread media coverage.

6. Sun did not stop there. On information and belief, in addition to his own defamatory statements, Sun weaponized his money and his influence within the industry, hiring influencers and deploying fake social-media "bot" accounts to amplify his lies. His actions were coordinated, deliberate, and aimed at burning World Liberty to the ground.

7. Sun's defamatory campaign has been profoundly harmful to World Liberty. Sun is a prominent figure in the cryptocurrency industry, and his accusations carry significant weight with market participants. World Liberty has lost specific business opportunities as a direct result of Sun's false statements, and Sun's statements have been widely reported by major media outlets, including NBC News, Reuters, The Guardian, and Bloomberg. Trust is fundamental in the cryptocurrency community, and Sun's false statements strike at the core of World Liberty's reputation, undermining its business relationships and ability to operate.

8. Sun had numerous legitimate avenues to contest the freezing of his \$WLFI tokens. Aware that his misconduct had no explanation, rather than pursue these avenues, Sun chose instead to wage a public campaign of false and defamatory attacks against World Liberty. This lawsuit seeks to hold Sun accountable for that misconduct.

### **PARTIES**

9. Plaintiff World Liberty Financial LLC is a Florida limited liability company with its principal locus of operations in Florida. World Liberty Financial LLC is the successor-in-interest to World Liberty Financial, Inc., which was founded in 2024. World Liberty Financial LLC holds all relevant rights, including as to contracts between Sun and World Liberty Financial, Inc.

10. Defendant Yuchen (Justin) Sun is a Chinese-born billionaire and founder of the TRON blockchain. Sun is an advisor to Tron Inc., a company based in Winter Park, Florida.

### **JURISDICTION AND VENUE**

11. This Court has jurisdiction pursuant to Florida Statutes Section 26.012. Pursuant to Administrative Order No. 17-11, this case is subject to mandatory assignment to the Complex Business Litigation Division because the amount in controversy exceeds seven hundred fifty thousand dollars, exclusive of interest, costs, and attorneys' fees.

12. This Court has personal jurisdiction over Defendant pursuant to Florida Statutes Section 48.193(2) because Sun engages in substantial and not isolated activity within this state. This includes, without limitation, his role advising Tron Inc.<sup>1</sup> and World Liberty, both of which have their principal places of business and/or principal loci of operations in Florida. Through his work advising for Tron Inc., Sun continuously and systematically directs business activities into and within this State. On information and belief, Sun directs Tron Inc. investments into Florida. On information and belief, Sun also conducts other business in Florida, including speaking at conferences in Florida.

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<sup>1</sup> While Sun appears to hold the title of advisor to Tron Inc., on information and belief, his relationship with Tron Inc. is much more extensive. For instance, Sun rang the NASDAQ opening bell on behalf of Tron Inc. and posted on his X account, “[w]e hope to become part of the Nasdaq 100 Index within three years—this is the goal we’re truly pursuing!” @justinsuntron, X (Jul. 25, 2025, 6:35 AM), <https://x.com/justinsuntron/status/1948693681407483965> (translated). Additionally, on information and belief, Sun exercises control over Tron Inc. and directs its business activities in Florida.

There is significant overlap between the TRON blockchain founded by Sun and Tron Inc. Tron Inc. admits that “there are crossover relationships between certain directors of [Tron Inc.] and the TRON blockchain ecosystem,” including that many board members have connections with the TRON blockchain: “Weike Sun is the father of Justin Sun, the founder of TRON, Zhihong Liu has been a senior advisor to TRON DAO, and Zi Yang is associated with Tronscan, the official internet explorer for the TRON blockchain.” Tron Inc., Form S-3 (Mar. 13, 2026), <https://www.sec.gov/Archives/edgar/data/1956744/000149315226010074/forms-3a.htm#:~:text=Our%20common%20stock%20is%20traded,6%20of%20Form%20S%2D3>.

13. This Court also has personal jurisdiction over Defendant pursuant to Florida Statutes Section 48.193(1)(a) because the causes of action in this Complaint arise from Sun “[c]ommitting a tortious act within this state”; “[c]ausing injury to persons or property within this state” while “engaged in solicitation or service activities within this state”; and/or “[o]perating, conducting, engaging in, or carrying on a business or business venture in this state or having an office or agency in this state.” Sun published the defamatory statements at issue in this action knowing they would injure World Liberty, a Florida limited liability company with its principal locus of operations in Florida. Moreover, the Defamatory Statements relate to an economic relationship between Blue Anthem, an entity owned by Sun, and World Liberty, a Florida company, including Blue Anthem’s service on World Liberty’s Advisory Board. On information and belief, at relevant times, Sun knew World Liberty was Florida-based and aimed his defamatory statements toward Florida, knowing the brunt of harm from his statements would be incurred in Florida. Sun committed tortious acts within Florida by publishing false and defamatory statements about a Florida-based company that were made accessible to residents of Florida and were in fact accessed and read by Florida residents in Florida. Sun’s defamation has harmed World Liberty in Florida, including by damaging World Liberty’s Florida business and relationships and diverting time and resources from World Liberty’s Florida operations.

14. For the reasons identified above, the exercise of personal jurisdiction over Sun comports with the Due Process Clause of the Fourteenth Amendment and due process under Florida’s Constitution. Additionally, Sun purposefully availed himself of Florida law by entering into business transactions with World Liberty and by assenting to World Liberty’s publicly

available Terms of Service, which at all relevant times designated Florida as the forum for resolution of disputes.<sup>2</sup>

15. Venue is proper in this Court pursuant to Florida Statutes Sections 47.011 and 47.041 because the cause of action accrued in this County. World Liberty's principal locus of operations is in Miami-Dade County, Florida. The injury from Sun's defamatory statements was suffered in this county. A substantial part of the events or omissions giving rise to Plaintiff's claims, including the defamatory statements, were published in Miami-Dade County, Florida, and World Liberty at all relevant times resided in Miami-Dade County.

16. On April 20, 2026, World Liberty provided Sun pre-suit notice of this action, identifying all statements and implications on which this Complaint is based and demanding that he retract them.<sup>3</sup> Sun has refused to retract or modify his statements or to issue a public apology. A copy of this letter is attached as Exhibit A.

### **FACTUAL ALLEGATIONS**

#### **I. WORLD LIBERTY IS A MARKET-LEADING DECENTRALIZED FINANCE COMPANY THAT INTRODUCED THE \$WLFI TOKEN**

17. World Liberty was founded in 2024 by cryptocurrency industry leaders, including Zachary Folkman, Chase Herro, and Zach Witkoff. World Liberty is a cryptocurrency company that seeks to provide access to decentralized finance applications using blockchain technology. Among other things, World Liberty administers a governance protocol that allows the community

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<sup>2</sup> This allegation is made solely for jurisdictional purposes. World Liberty does not allege a breach of contract, and its claims are not predicated on its Terms of Service or any other contract.

<sup>3</sup> Sun is a private individual and not a media defendant. World Liberty is thus not required to demand retraction before filing this lawsuit. *See Fla. Stat. Ch. 770*. Nothing in this Complaint should be construed as a concession that any retraction-demand statute applies to this action.

of \$WLFI token holders to vote on certain matters related to the World Liberty ecosystem. The \$WLFI token was launched in October 2024.

18. Sun’s wholly owned entity, Blue Anthem, purchased \$WLFI tokens in November 2024 and January 2025. At that time, all \$WLFI tokens were non-transferable, and it was publicly disclosed in World Liberty’s terms and elsewhere that \$WLFI tokens may never be transferable. Sun knew that World Liberty had the authority and ability to act against any purported transfers in violation of that condition, including rendering such purported transfers null and void. World Liberty also disclosed that to the extent transferability of the \$WLFI tokens was ever enabled, World Liberty may be required to adopt regulations and policies that could restrict the transferability of the \$WLFI tokens.

**II. SUN PURCHASES AND IS AWARDED \$WLFI TOKENS THROUGH BLUE ANTHEM**

19. On November 25, 2024, Sun purchased—through Blue Anthem—two billion non-transferable \$WLFI tokens for \$30 million. World Liberty Financial, Inc. also granted Blue Anthem an additional one billion non-transferable \$WLFI tokens on the same date, in exchange for Blue Anthem’s agreement to serve on World Liberty’s Advisory Board.

20. On or around January 2025, Blue Anthem purchased approximately one billion additional non-transferable \$WLFI tokens. As a result, Sun held—through Blue Anthem—approximately four billion non-transferable \$WLFI tokens.

21. Blue Anthem agreed not to transfer the tokens, and as a result, the \$WLFI tokens were locked from initial issuance, and Blue Anthem had no right or ability to transfer or sell them.

22. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

23. Blue Anthem then assented to the Token Unlock Agreement. In the Token Unlock Agreement, Sun, on behalf of his entity Blue Anthem, agreed that “[World Liberty] may, in its sole discretion, decline to unlock, restrict access to, or freeze any wallet if it determines that such action is necessary to comply with applicable law, enforce its policies, or protect the integrity of the WLF Protocol.” [REDACTED]

[REDACTED]

[REDACTED] Furthermore, in assenting to the Token Unlock Agreement, Blue Anthem represented that it had not engaged in certain transfers, including short sales of \$WLFI.

**III. ENTITIES OWNED BY SUN ENGAGE IN GROSS MISCONDUCT AND WORLD LIBERTY TAKES ACTION TO PREVENT FURTHER MISCONDUCT**

24. [REDACTED]

██████████ including the transfer of approximately \$9 million worth of \$WLFI tokens to Binance, a separate, unaffiliated exchange. This transfer ██████████

25. In addition, contrary to representations to World Liberty, and in violation of applicable agreements, Sun’s entities acquired certain \$WLFI tokens on behalf of *other investors* through straw purchases, including in at least one handshake deal. Additionally, on information and belief, Sun or his affiliates engaged in short selling or similar transactions in \$WLFI tokens, notwithstanding his contractual obligations, his status as an advisor to World Liberty, and his holding of billions of \$WLFI tokens.

26. ██████████

██████████ Specifically, on August 31, 2025, between 11:17 a.m. and 3:35 p.m. UTC, HTX 48—a publicly documented hot wallet associated with HTX, the cryptocurrency exchange owned and operated by Sun<sup>4</sup>—executed three transfers of approximately \$100 million USDT each to a Binance deposit address.<sup>5</sup> Public blockchain records confirm these funds were sourced from the Huobi Recovery Wallet,<sup>6</sup> a wallet Sun has publicly acknowledged as his own, including in a September 25, 2023 post on X in which he communicated directly with a hacker via the Ethereum blockchain.<sup>7</sup> Further linking HTX 48 to

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<sup>4</sup> Wallet address 0xa03400E098F4421b34a3a44A1B4e571419517687.

<sup>5</sup> Wallet address 0x8b23fe0Ba36760fbD6b82fbde297E06a99B6F93B.

<sup>6</sup> Wallet address 0x18709E89BD403F470088aBDACeEbE86CC60dda12e.

<sup>7</sup> @justinsuntron, X (Sep. 25, 2023, 10:14 AM), <https://x.com/justinsuntron/status/1706311251024822748>; Input Data Messages (IDM), Etherscan (Sep. 25, 2023), <https://etherscan.io/>

Sun, HTX 48 is the same wallet that funded Sun’s “TRON DAO” wallet, which participated in the \$WLFI token sale.

27. The timing and structure of these transfers do not appear to be coincidental. The transfers were tightly clustered, executed from the same HTX-controlled wallet to the same Binance deposit address, and preceded the public launch of \$WLFI trading by less than twenty-four hours. On-chain data from public block explorers, including Etherscan, corroborates the source and destination of these funds and establishes Sun’s control over the originating wallet. The transfers are consistent with the deliberate pre-positioning of capital to fund an aggressive short position in advance of a market-moving event—the public launch of a token in which Sun simultaneously held billions of locked tokens.

28. Trading data from Binance—one of the world's largest cryptocurrency exchanges—confirms that a large short position was established against \$WLFI from August 31, 2025, through September 1, 2025. The data shows that on September 1, 2025—the day \$WLFI launched for public trading—the price of \$WLFI fell roughly 26%. At the same time, the total number of open short bets against \$WLFI surged by roughly 23%, meaning that as \$WLFI’s price was falling, traders were not closing their positions—they were opening new positions, consistent with a coordinated effort to drive the price down further. Taken together, the data is consistent with a large, deliberate, short-selling campaign designed to suppress \$WLFI's price at the moment of its public launch.

29. [REDACTED]

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idm?addresses=0x18709e89bd403f470088abdacebe86cc60dda12e,0xdb1d74467c9042517a354304256e0d658d8aec83&type=1.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Simply put, Sun’s exchange wallet moved \$300 million to Binance the day before \$WLFI opened for public trading. The next morning, \$WLFI’s price crashed, while open shorts jumped—meaning traders were stacking up new short positions in massive volumes. [REDACTED]

[REDACTED]

[REDACTED] This conduct reflects not a misunderstanding of Sun’s obligations but a calculated effort to profit at the expense of World Liberty and the \$WLFI token community he publicly purported to support.

30. Upon discovering these violations, World Liberty exercised its contractual rights to freeze Sun’s entities’ tokens to prevent further harm to World Liberty and the broader \$WLFI community, an ability that Sun knew about well before this action was taken. World Liberty’s right to take this action was unambiguous. The agreements Sun signed, including the Token Unlock Agreement, and World Liberty’s publicly available Terms of Sale, expressly provided that “any purported transfer in violation of transfer restrictions will be null and void,” and that World Liberty “reserves the right to take action against any purported transfers.” This language clearly indicates World Liberty’s right and ability to, among other things, freeze users’ tokens, if appropriate. Except for instances of suspected violations of applicable laws and instances where a token holder’s wallet has been compromised by a malicious actor, World Liberty has not frozen any other users’ \$WLFI tokens.

#### IV. RATHER THAN CONSTRUCTIVELY ADDRESS HIS MISCONDUCT, SUN REPEATEDLY DEFAMES WORLD LIBERTY

31. Following the freezing of his tokens, Sun began threatening litigation against World Liberty. Sun weaponized these threats, stating that the litigation would “light World Liberty on fire,” cause the \$WLFI token price to “go to shit,” and be “bad for the whole industry.”

32. Sun also took his campaign to social media. On September 4, 2025, Sun posted to his nearly four million followers on X to complain about the freezing of his tokens.<sup>8</sup> Sun claimed that his \$WLFI tokens had been “unreasonably frozen” and that World Liberty had violated principles of “fairness, transparency, and trust” by freezing Sun’s tokens.<sup>9</sup> On information and belief, Sun also engaged in other harassment of World Liberty and its executives.

33. When World Liberty refused to capitulate to Sun’s threats, Sun escalated and launched a public smear campaign centered on immensely harmful, false, and defamatory statements about World Liberty.

34. On April 12, 2026, Sun posted to his X account (the “First April 12 Post”):

I have always been an ardent supporter of President Trump and his crypto friendly policy.

As an early supporter who invested heavily in World Liberty Financial, I did so because I believed in the vision that was presented to the public: a decentralized finance platform that would promote financial freedom, remove intermediaries, and bring the benefits of DeFi to mainstream Americans.

What was never disclosed — to me or to any investor — is that World Liberty embedded a backdoor blacklisting function in the smart contract used to deploy WLFI tokens. This function gives the Company unilateral power to freeze, restrict, and effectively confiscate the property rights of any token holder, without notice, without cause, and without recourse.

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<sup>8</sup> @justinsuntron, X (Sep. 2, 2025, 11:32 PM), <https://x.com/justinsuntron/status/1963807543983263802>.

<sup>9</sup> *Id.*

This is the opposite of decentralization. This is a trap door marketed as an open door.

I denounce the ongoing token scandals by the bad actors at WLFI.

I am the first and single largest victim, as a result of their wrongful blacklisting of my WLFI token wallet back in 2025, that violates basic investor rights and blockchain principles of fairness.

Every action taken by the WLFI team to extract fees from users, to secretly implant backdoor controls over user assets, to freeze investor funds without disclosure or due process, and to treat the crypto community as a personal ATM — all of these actions are illegitimate and were never authorized by any fair, transparent, or good-faith community governance process.

The governance votes cited to justify these actions were not conducted through a fair or transparent process. Key information was withheld from voters, meaningful participation was restricted, and the outcomes were predetermined. These votes do not represent the will of the community — they represent the will of those who designed them.

These actions have nothing to do with me. They have nothing to do with the investors who believed the promises this project made. We oppose every one of these actions in the strongest possible terms.

The WLFI team’s actions erode trust in the project. Unlock the tokens and uphold transparency for the community. Let’s build with integrity, not misconduct.<sup>10</sup>

35. This post was widely circulated. It has been viewed roughly 1.7 million times and has received substantial engagement, including approximately 1,800 replies, 1,900 reposts, 6,800 favorites, and 1,400 bookmarks. This post remains publicly available on Sun’s X account.

36. This post contains numerous statements of fact that are false and that Sun knew to be false when he made them, including the following: (a) “World Liberty embedded a backdoor blacklisting function in the smart contract used to deploy WLFI tokens”; (b) “This function gives

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<sup>10</sup> @justinsuntron, X (Apr. 12, 2026 3:46 AM), <https://x.com/justinsuntron/status/2043234272622883074>. Sun simultaneously issued a post on X with similar content and statements, but in Mandarin Chinese. @justinsuntron, X (Apr. 12, 2026 3:49 AM), <https://x.com/justinsuntron/status/2043235063132037268>.

the Company unilateral power to freeze, restrict, and effectively confiscate the property rights of any token holder, without notice, without cause, and without recourse.”; (c) that World Liberty engaged in a “wrongful blacklisting of [Sun’s] WLFI token wallet back in 2025, that violates basic investor rights and blockchain principles of fairness”; (d) that the WLFI team took illegitimate and unauthorized actions “to extract fees from users, to secretly implant backdoor controls over user assets, to freeze investor funds<sup>[11]</sup> without disclosure or due process”; and (e) “[t]he governance votes cited to justify these actions were not conducted through a fair or transparent process. Key information was withheld from voters, meaningful participation was restricted, and the outcomes were predetermined.”

37. In its entirety and full context, the First April 12 Post conveyed the overall false and defamatory message that World Liberty is dishonest and untrustworthy, defrauds investors, and has built undisclosed features into the \$WLFI token that were neither authorized nor disclosed to investors.

38. These statements and implications are false, including, among other reasons, because any freezing ability by World Liberty was publicly disclosed and widely known, World Liberty did not engage in wrongful blacklisting of Sun’s token wallet, and any actions by World Liberty were authorized and not to extract fees from users, to implement secret backdoor controls, or freeze “investor funds” without disclosure or due process, the World Liberty governance process is fair and meaningful, and no key information was withheld from token holders.

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<sup>11</sup> World Liberty generally does not hold “investor funds,” as that term is used by Sun in his X post.

39. Sun's smear campaign did not stop there. Later on April 12, 2026, after World Liberty issued its own post on X responding to Sun's allegations,<sup>12</sup> Sun reposted World Liberty's post with the following comment (the "Second April 12 Post"):

Whoever is hiding behind this official account, step forward and identify yourself. Every action taken by the WLFY team to secretly implant backdoor controls over user assets, to freeze investor funds without disclosure or due process, and to treat the crypto community as a personal ATM, someone must be held personally accountable for these actions. As the largest investor in this project, I demand that those responsible come forward by name, instead of hiding in the shadows.<sup>13</sup>

40. This post was widely circulated. It has been viewed roughly 1.2 million times and has received substantial engagement, including approximately 1,300 replies, 1,000 reposts, 5,400 favorites, and 400 bookmarks.<sup>14</sup> This post remains publicly available on Sun's X account.

41. This post contains factual statements that are false, and which Sun knew were false, including that World Liberty "secretly implant[ed] backdoor controls over user assets, to freeze investor funds without disclosure or due process."

42. In its entirety and full context, the Second April 12 Post conveyed the false and defamatory impressions that World Liberty is dishonest and untrustworthy, defrauds investors, and has built undisclosed features into the \$WLFY token that were neither authorized nor disclosed to investors.

43. This post contains statements of fact and implications that are false and that Sun knew to be false when he made them, including, among other reasons, because any purported "backdoor controls" were publicly disclosed in World Liberty's Terms of Sale and in Sun's own

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<sup>12</sup> @justinsuntron, X (Apr. 12, 2026 11:31 AM), <https://x.com/worldlibertyfi/status/2043351375640182862>.

<sup>13</sup> @justinsuntron, X (Apr. 12, 2026 11:54 AM), <https://x.com/justinsuntron/status/2043357056250614013>.

<sup>14</sup> *Id.*

agreements with World Liberty, World Liberty has not frozen “investor funds” without disclosure or due process, and World Liberty does not treat the crypto community as a personal ATM.

44. Hours later, on April 13, 2026, Sun posted yet another defamatory post on X (the “April 13 Post”), saying:

I am calling on World Liberty Financial @worldlibertyfi to publicly disclose who controls the single guardian EOA and the 3/5 multisig that govern the WLF1 smart contract.

Every investor has the right to know who holds the power to freeze their assets. Here is what on-chain records show: A single guardian EOA — which also sits on the multisig — blacklisted my wallet. That same address is the sole owner of a second guardian Safe with a threshold of 1. This means one person — one single individual — has the unilateral power to freeze any token holder’s assets. Seizing those assets requires a 3-of-5 multisig vote, but freezing requires only one signature. Who is that person? The community deserves an answer.

Let me be clear about what this structure means: community governance and voting are meaningless. Every proposal, every vote, every claim of decentralized decision-making is theater. Real power — the power to freeze, to move funds, to control the protocol — sits with one anonymous EOA and a 3-of-5 multisig that answers to no one. The entire governance framework has been hollowed out from the inside.

A project that claims to stand for decentralization and financial freedom cannot concentrate this level of power in a single anonymous address. If the WLF1 team has nothing to hide, they should have no difficulty identifying who controls these keys.<sup>15</sup>

45. This post was widely circulated and viewed. It has been viewed roughly 525,000 times and has received substantial engagement, including approximately 750 replies, 600 reposts, 3,100 favorites, and 300 bookmarks.<sup>16</sup> This post remains publicly available on Sun’s X account.

46. This post contains numerous factual statements that are false, and which Sun knew were false, including that: (a) “community governance and voting are meaningless”; (b) “Every

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<sup>15</sup> @justinsuntron, X (Apr. 13, 2026 2:33 AM), <https://x.com/justinsuntron/status/2043578233023774723>.

<sup>16</sup> *Id.*

proposal, every vote, every claim of decentralized decision-making is theater.”; (c) “The entire governance framework has been hollowed out from the inside”; and (d) World Liberty has “concentrate[d] this level of power in a single anonymous address.”

47. In its entirety and full context, the April 13 Post conveyed the overall false and defamatory message that World Liberty is dishonest and untrustworthy, defrauds investors, and has built undisclosed features into the \$WLFI token that were neither authorized nor disclosed to investors.

48. This post contains statements of fact and implications that are false and that Sun knew to be false when he made them, including, among other reasons, because community governance and voting are important parts of \$WLFI token ownership and the votes are meaningful and have impacts on the operation of World Liberty and its ecosystem, and this process is not “theater” or “hollowed out from the inside”; it is meaningful and legitimate. Additionally, it is false that the specified level of power is in a single anonymous address.

49. Sun’s defamatory campaign did not stop there. On April 15, 2026, after World Liberty announced a new governance proposal, Sun posted a lengthy post on his X account (the “April 15 Post”):

This Is World Tyranny, Not World Liberty Financial — Here’s Why

This proposal has been packaged as a “governance alignment signal” and a “long-term commitment,” but strip away the packaging and what you have is one of the most absurd governance scams I have ever seen. Let me break it down.

I. Vote Against and Get Punished — Classic Coercion Tactic

This is not a legitimate voting exercise, not even close. The design of this proposal is a logical trap: anyone who votes against it has their tokens locked indefinitely with no unlock path whatsoever.

In other words, if you oppose this proposal, you get punished. This is not voting. This is coercion. What kind of democratic process rewards agreement and imprisons dissent?

## II. Voters Have Been Selectively Frozen Out

I personally hold approximately 4% of the voting power, yet my tokens have been frozen and I am forced out of this voting process.

I am not alone.

A large number of holders with significant voting rights are in the same position. Meanwhile, the team controls the power to freeze tokens — they decide who can vote and who cannot. What does this mean? It means the outcome was determined before the vote even began.

This is not a governance vote. This is a performance where the police have already barricaded the doors of parliament and only let their own people inside to raise their hands. The voter pool has been purged. Only yes votes remain.

The result of such a vote carries no binding force whatsoever.

## III. All Actual Power Has Been Seized by Anonymous Actors

The actual control over the WLFI smart contracts lies in the hands of a 3/5 anonymous multisig and a single anonymous guardian EOA has the power to blacklist addresses holding WLFI.

Let me emphasize — anonymous.

This anonymous multisig can override any vote result and execute any operation directly at the contract level. The so-called governance proposals, on-chain votes, and community discussions are nothing but theater. Real power has never been yielded to anyone but themselves and it's laughable that they try these tricks to fool the community.

The bottom line is this, the power sits with anonymous wallet addresses whose owners nobody knows or can verify. This is not decentralized governance. This is dictatorship wearing the mask of a DAO.

## IV. Voters Must Identify Themselves, but the Rulers Are Anonymous — Worse Than Tyranny

Here is the most ironic part: WLFI requires every participating voter to complete identity verification, electronically sign acknowledgements, and meet compliance eligibility requirements. You want to exercise your rights? Show your face first.

But who are the guardian and multisig signers who hold the power of life and death over the contract? Nobody was told and there is absolutely no transparency. While the governed must identify themselves, the governors with absolute power are anonymous. Your voters must register, submit to scrutiny, and be vetted and dictated how to vote— while your dictators won't even show their faces.

## V. A Naked Violation of Property Rights Worth Billions of Dollars

Let us not forget the real stakes of this proposal: this is not some trivial parameter adjustment or protocol upgrade. This vote seeks to decide the unlock schedule for billions of dollars in assets, the reallocation of governance and vesting rights, and most extreme of all, the permanent destruction of billions of tokens. This is a naked expropriation of holders' property rights.

In an environment where voting against the proposal is punished, where large numbers of holders have been frozen out of voting, and where actual control rests with anonymous wallets, using this sham vote to decide the fate of billions of dollars in assets?

This is not governance. This is a sham and flies in the face of what this protocol was meant to be. No society governed by the rule of law would permit this. In traditional financial markets, any asset disposition of this scale would require rigorous regulatory review, independent board approval, and minority shareholder protections.

Here, a few anonymous wallets get to decide everything. The permanent burning of tokens means holders' property is irreversibly destroyed, no compensation, no recourse, no due process. This has gone far beyond the realm of so-called "decentralized governance." This is a systematic violation of property rights.

## Conclusion

I repeat that this proposal is not governance. It is an exercise of power by the selected few who are carefully engineering a further power consolidation and property expropriation operation.

Dissenters are punished for voting no. Opponents are frozen out. Actual control lies with anonymous wallets. Those who exercise their rights must prove their identity while the fate of billions of dollars in assets is decided by a sham vote.

This is not what decentralized finance was meant to be, results produced under these sorts of conditions carry no legitimacy, should not have binding force, and should not be recognized.

I call on all WLFH holders to see this proposal for what it truly is, to voice their opposition across all public channels, and to reserve all legal rights of recourse.<sup>17</sup>

50. This post was widely circulated and viewed. It has been viewed roughly 460,000 times and has received substantial engagement, including approximately 600 replies, 600 reposts, 2,100 favorites, and 230 bookmarks.<sup>18</sup> This post remains publicly available on Sun’s X account.

51. This post contains numerous statements of fact that are false and that Sun knew to be false when he made them, including the following: (a) World Liberty was proposing a “governance scam[]”; (b) World Liberty was engaging in “Punish[ment]” and “Coercion”; (c) “anyone who votes against it [the proposal] has their tokens locked indefinitely with no unlock path whatsoever.”; (d) “In other words, if you oppose this proposal, you get punished. This is not voting. This is coercion.”; (e) “I am not alone. A large number of holders with significant voting rights are in the same position. Meanwhile, the team controls the power to freeze tokens — they decide who can vote and who cannot. What does this mean? It means the outcome was determined before the vote even began.”; (f) “All Actual Power Has Been Seized by Anonymous Actors”; (g) “This anonymous multisig can override any vote result and execute any operation directly at the contract level.”; (h) “The bottom line is this, the power sits with anonymous wallet addresses whose owners nobody knows or can verify. This is not decentralized governance.”; (i) “But who are the guardian and multisig signers who hold the power of life and death over the contract? Nobody was told and there is absolutely no transparency. . . . the governors with absolute power are anonymous. . . . [the] dictators won’t even show their faces.”; (j) World Liberty has engaged

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<sup>17</sup> @justinsuntron, X (Apr. 15, 2026, 2:09 PM), <https://x.com/justinsuntron/status/2044478300236746912>. Sun simultaneously issued a post on X with similar content and statements, but in Mandarin Chinese. @justinsuntron, X (Apr. 15, 2026, 2:16 PM), <https://x.com/justinsuntron/status/2044479960673628581>.

<sup>18</sup> *Id.*

in “Naked Violation of Property Rights Worth Billions of Dollars”; (k) the governance proposal is “a naked expropriation of holders’ property rights.”; (l) “This is a sham and flies in the face of what this protocol was meant to be.”; (m) “Here, a few anonymous wallets get to decide everything. The permanent burning of tokens means holders’ property is irreversibly destroyed, no compensation, no recourse, no due process. This has gone far beyond the realm of so-called ‘decentralized governance.’ This is a systematic violation of property rights.”; and (n) “Dissenters are punished for voting no. Opponents are frozen out. Actual control lies with anonymous wallets. Those who exercise their rights must prove their identity while the fate of billions of dollars in assets is decided by a sham vote.”

52. In its entirety and full context, the April 15 Post conveyed the overall false and defamatory message that World Liberty is dishonest and untrustworthy, defrauds investors, and has built undisclosed features into the \$WLFI token that were neither authorized nor disclosed to investors.

53. These statements and implications are false, because, among other reasons, they cast doubt on the legitimacy or meaningfulness of governance votes. World Liberty’s governance votes are fair, meaningful, and legitimate. It is also untrue that World Liberty engaged in any violation of property rights, including because World Liberty has not seized any relevant property from any token holder. The statement that there is “no transparency” is false, too; token holders are informed of relevant facts before they vote, and World Liberty is transparent about the voting process and results.

54. The statements identified in paragraphs 36, 41, 46, and 51 are referred to herein as the “Defamatory Statements.”<sup>19</sup>

55. In addition, the clear and intended implication of the Defamatory Statements is that World Liberty is dishonest and untrustworthy, defrauds investors, and has built undisclosed features into the \$WLFI token that were neither authorized nor disclosed to investors.

56. The Defamatory Statements are gravely damaging to World Liberty’s reputation. The cryptocurrency industry is built on trust. Sun’s Defamatory Statements have deliberately misled the public, casting doubt on World Liberty’s transparency and integrity. Sun’s statements have generated widespread negative media coverage and have caused lasting damage to World Liberty’s business and reputation.

57. Sun made each of the Defamatory Statements with knowledge that they were false, or at the very least, with reckless disregard as to their truth. Additionally, on information and belief, Sun made the Defamatory Statements with the intention of harming World Liberty, including as retribution for the freezing of his \$WLFI tokens and, on information and belief, to benefit his short positions in \$WLFI tokens.

58. Sun also acted with actual malice in making the Defamatory Statements.<sup>20</sup> Sun made the Defamatory Statements while holding billions of \$WLFI tokens and serving on World Liberty’s Advisory Board, which demonstrates that Sun was driven by actual malice in making

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<sup>19</sup> For the avoidance of doubt, “Defamatory Statements” includes the Mandarin Chinese translations of any of these Defamatory Statements posted by Sun on his X account, which contain the same false and defamatory statements as described in certain of the Defamatory Statements.

<sup>20</sup> World Liberty is not a public figure, and World Liberty is thus not required to allege or prove actual malice. Nothing in this Complaint should be construed as a concession that World Liberty is a public figure.

the Defamatory Statements because he understood World Liberty’s governance and freeze mechanisms but made the Defamatory Statements anyway.

59. Sun knew the Defamatory Statements were false, because he and other purchasers of \$WLFI tokens knew that World Liberty had the ability and right to freeze users’ \$WLFI tokens. Indeed, World Liberty’s right and ability to freeze users’ tokens was clearly disclosed to Sun in the Token Unlock Agreement, an agreement he assented to on behalf of Blue Anthem. The Token Unlock Agreement stated that World Liberty “may, in its sole discretion, decline to unlock, restrict access to, or freeze any wallet if it determines that such action is necessary to comply with applicable law, enforce its policies, or protect the integrity of the WLF Protocol.” [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] This is exactly the authority World Liberty later exercised following Sun’s misconduct.

60. Sun knew of this ability even before the Token Unlock Agreement. Among other things, this ability was clearly disclosed to Sun and other purchasers through publicly available documents, such as the terms of sale for \$WLFI tokens, through examination of publicly available smart contracts, and through Sun’s agreements with World Liberty. These documents stated in clear terms that “[a]ny purported transfer in violation of [certain] transfer restrictions will be null and void by the Company, and the Company reserves the right to take action against any purported transfers.” The same authority was disclosed in the publicly available Token Unlock Agreement, which provided that “[t]he Company may, in its sole discretion, decline to unlock, restrict access

to, or freeze any wallet if it determines that such action is necessary to comply with applicable law, enforce its policies, or protect the integrity of the WLF Protocol.”

61. Not only was Sun aware of the agreements’ terms, but Sun also knew through his personal experience that the Defamatory Statements were false because he (and the public) knew that World Liberty had the power to restrict the transferability of tokens. Since \$WLFI was introduced, the vast majority of tokens have been restricted from transfer. The very fact that the vast majority of \$WLFI tokens are, and have been, restricted from transfer demonstrates to Sun and the public that World Liberty has the ability to freeze or otherwise restrict the transferability of tokens and illustrates the falsity of Sun’s Defamatory Statements to the contrary.

62. Notably, Sun has more than a decade of experience in the cryptocurrency industry and has started many of his own cryptocurrency products. Upon information and belief, Sun knows that it is common for a cryptocurrency company to have the ability and right to freeze accounts.

63. The Defamatory Statements were made pursuant to a preconceived narrative against World Liberty. Prior to the Defamatory Statements, Sun and World Liberty exchanged significant correspondence that further demonstrated the falsity of the Defamatory Statements when made. Beginning in October 2025, Sun levied the same allegations against World Liberty and repeatedly threatened litigation against World Liberty. World Liberty refuted these allegations and explained that it has the contractual and practical ability to freeze \$WLFI tokens. Specifically, in a letter dated November 7, 2025, World Liberty explained to Sun at length the reasons why World Liberty was entitled to freeze Sun’s tokens.

64. Further, Sun published the Defamatory Statements to further his own financial interests. Specifically, on information and belief, Sun has engaged in short selling of \$WLFI

tokens, and the Defamatory Statements were part of a scheme to harm the \$WLFI token price to further Sun's own goals.

65. Sun's prior statements and threats to World Liberty demonstrate ill will and bias toward World Liberty. For instance, Sun threatened to "light World Liberty on fire" and cause the \$WLFI token price to "go to shit" if World Liberty did not accede to Sun's demands to pay him hundreds of millions of dollars.

66. Sun failed to retract the Defamatory Statements after receiving the April 20, 2026, cease and desist letter identifying all statements and implications on which this Complaint is based, explaining that his statements and implications were false, and demanding that he retract them.

67. Sun knew that certain Defamatory Statements about governance votes were false because he was specifically advised that "[h]olders of larger token positions may have [the] ability to exert more influence over governance decisions." In prior correspondence, Sun described such votes without alleging that the votes were rigged, unfair, tainted, or in any way improper or illegitimate.

68. As one of the most prominent and closely watched figures in the cryptocurrency industry, Sun knew that his statements would be picked up by major media outlets. They were. As Sun intended, the Defamatory Statements were widely reported by NBC News,<sup>21</sup> Reuters,<sup>22</sup>

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<sup>21</sup> Rob Wile, *One of the most prominent investors in the Trump family's crypto company is now criticizing it*, NBC News (Apr. 14, 2026), <https://www.nbcnews.com/business/business-news/trump-crypto-world-liberty-justin-sun-rcna331555>.

<sup>22</sup> Tom Wilson, *World Liberty investor Justin Sun claims Trump crypto venture 'secretly' installed tool to freeze user holdings*, Reuters (Apr. 13, 2026), <https://www.reuters.com/legal/government/world-liberty-investor-justin-sun-claims-trump-crypto-venture-secretly-installed-2026-04-13/>.

The Guardian,<sup>23</sup> the Financial Times,<sup>24</sup> and Bloomberg.<sup>25</sup> Sun's accusations were also amplified by cryptocurrency-specific outlets, such as CoinDesk,<sup>26</sup> The Block,<sup>27</sup> and Decrypt<sup>28</sup> and were widely discussed on social media.

69. Sun did not content himself with his own defamatory statements. Instead, he launched an all-out war on World Liberty, using money and influence to spread his lies as widely as possible. In addition to those statements, on information and belief, Sun approached social-media influencers and has paid for robotic social-media accounts to repeat the Defamatory Statements and implications, as well as other disparaging claims, to further harm World Liberty.

70. The Defamatory Statements have damaged World Liberty's reputation, as evidenced by, among other things, the loss of business opportunities and potential customer relationships.

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<sup>23</sup> *Trump's largest crypto venture investor accuses company of freezing account and secret blacklisting*, The Guardian (Apr. 15, 2026), <https://www.theguardian.com/technology/2026/apr/15/justin-sun-world-liberty-financial-blacklist-trump>.

<sup>24</sup> Jill R Shah, George Steer, and Arjun Neil Alim, *Trump family's World Liberty crypto venture faces investor backlash*, Financial Times (Apr. 18, 2026), <https://www.ft.com/content/ac47ca32-e526-4a5a-bb30-5b3efebe8e0d>.

<sup>25</sup> Olga Kharif, *Trump-Linked World Liberty Project Faces Investor Revolt*, Bloomberg (Apr. 12, 2026), <https://www.bloomberg.com/news/articles/2026-04-12/trump-linked-world-liberty-crypto-project-faces-investor-revolt>.

<sup>26</sup> Sam Reynolds, *Tron's Justin Sun slams Trump-backed WLFI for treating users as 'personal ATM' after \$75 Million DeFi loan*, Coindesk (Apr. 12, 2026), <https://www.coindesk.com/markets/2026/04/12/tron-s-justin-sun-slams-trump-backed-wlfi-for-treating-users-as-personal-atm-after-usd75-million-defi-loan>.

<sup>27</sup> Zack Abrams, *'See you in court': WLFI threatens Justin Sun after he alleges hidden blacklist backdoor in token contract*, The Block (Apr. 12, 2026), <https://www.theblock.co/post/397126/see-you-in-court-wlfi-threatens-justin-sun-after-he-alleges-hidden-blacklist-backdoor-in-token-contract>.

<sup>28</sup> Sander Lutz, *Justin Sun Bashes Trump Family's World Liberty, Claims Investors Used as 'Personal ATM'*, Decrypt (Apr. 13, 2026), <https://decrypt.co/364137/justin-sun-bashes-trump-world-liberty-financial-investors-personal-atm>.

71. World Liberty has also suffered special damages from Sun's Defamatory Statements. This includes, without limitation, lost business opportunities, including a potential business opportunity with Native Market that Native Market refused to proceed with due, in substantial part, to the Defamatory Statements. The Defamatory Statements also caused World Liberty to divert significant time and resources—including the time of its executives—from revenue-generating activities to address the Defamatory Statements and mitigate their fallout.

72. Due to the willful, knowing, and malicious wrongdoing of Sun in this action, World Liberty intends to seek punitive and exemplary damages and reserves the right to do so upon separate motion and evidentiary proffer.

73. All conditions precedent to the bringing of this action have been performed; have been waived, excused, or rendered impossible; or have otherwise occurred.

**FIRST CAUSE OF ACTION**  
**(Defamation)**

74. Plaintiff repeats, reiterates, and re-alleges each and every allegation made in paragraphs 1 through 73 of this Complaint as if fully set forth herein.

75. Defendant published false statements of fact to third parties that are of and concerning World Liberty. The Defamatory Statements were published in social media posts on X, which were accessible to the public, and were viewed by millions of people.

76. The Defamatory Statements convey, and are reasonably interpreted to convey, that World Liberty is dishonest and untrustworthy, defrauds investors, and built undisclosed features into the \$WLFI token that were not permitted or disclosed to investors.

77. These statements are reasonably understood to be statements of and concerning World Liberty and were in fact understood by persons reading them to be statements of and concerning World Liberty.

78. These statements are reasonably understood to be statements of fact regarding World Liberty and were reasonably understood by persons reading them to be statements of fact regarding World Liberty.

79. Each of the Defamatory Statements is, and was at the time made, false.

80. Defendant made each of the Defamatory Statements knowing that it was false and/or with a reckless indifference as to its truth.

81. The Defamatory Statements are defamatory *per se* because they tend to subject, and have indeed subjected, World Liberty to hatred, distrust, ridicule, contempt, or disgrace, and because they tend to injure, and indeed have injured, World Liberty in its trade or profession.

82. Defendant's published statements harmed Plaintiff's business and reputation. Among other things, the Defamatory Statements have damaged Plaintiff, prejudiced its ability to conduct its trade or business, deterred third persons from dealing with it, assailed its management, and/or impugned its method of doing business.

83. The Defamatory Statements claim that Plaintiff has committed dishonest, illegal, or abhorrent acts; subject Plaintiff to distrust, contempt, and disgrace; and impute to Plaintiff conduct, characteristics, or a condition incompatible with the proper exercise of its lawful business.

84. The Defamatory Statements also impute criminal conduct to World Liberty, including fraud, because the Defamatory Statements state and imply that World Liberty has engaged in fraudulent conduct such as deceiving investors about certain features of \$WLFI tokens and by fraudulently freezing certain investors' \$WLFI tokens, and also that World Liberty engaged in violation of property rights.

85. Sun had no applicable privilege or legal authorization to publish these false and defamatory statements or, if he did, he abused that privilege.

86. World Liberty has also suffered special damages from Sun's Defamatory Statements. This includes, without limitation, lost business opportunities, including a potential business opportunity with Native Market that Native Market refused to proceed with at least in part due to the Defamatory Statements. Additionally, the Defamatory Statements caused World Liberty to have to divert time and resources, including the time and resources of its executives, from profitable efforts to address the Defamatory Statements and the harm they caused to World Liberty.

87. The Defamatory Statements have been repeated and republished in other media outlets, which was reasonably foreseeable to Sun, including because of the large number of followers Sun has on X, his notoriety in the cryptocurrency community, and the fact that Sun's statements and actions are often reported in the media. At the time Sun published the Defamatory Statements, he knew that the Defamatory Statements would be republished and disseminated to new, larger audiences. On information and belief, Sun has approached social-media influencers and has paid for robotic social-media accounts to repeat the Defamatory Statements and implications, as well as other disparaging claims, to further expand their spread.

88. Sun is liable to World Liberty for damages arising out of his defamation of World Liberty.

89. Sun may also be subject to liability to World Liberty for punitive damages because of the wanton and outrageous nature of his defamation of World Liberty, and World Liberty reserves its right to move for leave to seek punitive damages at the appropriate time.

**SECOND CAUSE OF ACTION**  
**(Defamation by Implication)**

90. Plaintiff repeats, reiterates, and re-alleges each and every allegation made in paragraphs 1 through 73 of this Complaint as if fully set forth herein.

91. Defendant made a series of false statements of fact about Plaintiff in the First and Second April 12, April 13, and April 15 Posts that were reasonably capable of sustaining an incorrect and defamatory implication. Specifically, Defendant juxtaposed the following statements of fact to imply a defamatory connection between them or otherwise create a defamatory implication:

- (a) Defendant invested in World Liberty;
- (b) World Liberty presented a vision of “a decentralized finance platform that would promote financial freedom, remove intermediaries, and bring the benefits of DeFi to mainstream Americans,” that it did not live up to;
- (c) that the WLF team took illegitimate and unauthorized actions “to extract fees from users, to secretly implant backdoor controls over user assets, to freeze investor funds<sup>29</sup> without disclosure or due process, and to treat the crypto community as a personal ATM — all of these actions are illegitimate and were never authorized by any fair, transparent, or good-faith community governance process”;
- (d) “[t]he governance votes cited to justify these actions were not conducted through a fair or transparent process. Key information was withheld from voters, meaningful participation was restricted, and the outcomes were predetermined. These votes do not represent the will of the community — they represent the will of those who designed them.”;
- (e) World Liberty “treat[s] the crypto community as a personal ATM.”;

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<sup>29</sup> World Liberty generally does not hold “investor funds,” as that term is used by Sun in his X post.

- (f) “community governance and voting are meaningless”;
- (g) “Every proposal, every vote, every claim of decentralized decision-making is theater.”;
- (h) “The entire governance framework has been hollowed out from the inside”;
- (i) World Liberty has “concentrate[d] this level of power in a single anonymous address”;
- (j) “This is not a governance vote. This is a performance where the police have already barricaded the doors of parliament and only let their own people inside to raise their hands. The voter pool has been purged. Only yes votes remain.”;
- (k) “This is not a legitimate voting exercise, not even close. The design of this proposal is a logical trap: anyone who votes against it [the proposal] has their tokens locked indefinitely with no unlock path whatsoever.”;
- (l) “This anonymous multisig can override any vote result and execute any operation directly at the contract level. The so-called governance proposals, on-chain votes, and community discussions are nothing but theater. Real power has never been yielded to anyone but themselves and it’s laughable that they try these tricks to fool the community.”;
- (m) “The bottom line is this, the power sits with anonymous wallet addresses whose owners nobody knows or can verify. This is not decentralized governance. This is dictatorship wearing the mask of a DAO.”;
- (n) “This is not governance. This is a sham and flies in the face of what this protocol was meant to be.”;

(o) “this proposal is not governance. It is an exercise of power by the selected few who are carefully engineering a further power consolidation and property expropriation operation.”; and

(p) “Dissenters are punished for voting no. Opponents are frozen out. Actual control lies with anonymous wallets. Those who exercise their rights must prove their identity while the fate of billions of dollars in assets is decided by a sham vote.”

92. The First and Second April 12, April 13, and April 15 Posts were published in social media posts on X, which were accessible to the public, and were viewed by millions of people.

93. The First and Second April 12, April 13, and April 15 Posts imply, and are reasonably interpreted to imply, that World Liberty is dishonest and untrustworthy, defrauds investors, and built undisclosed features into the \$WLFI token that were not permitted or disclosed to investors.

94. Defendant Sun used the First and Second April 12, April 13, and April 15 Posts to publish a false narrative about World Liberty, falsely implying and suggesting to the millions of viewers of his posts on X that World Liberty engages in misrepresentations, omissions, fraud, shams, dishonesty, duplicitous conduct, denials of due process, scandals, wrongful acts, unethical acts, and/or illegal acts, among other negative implications. Defendant Sun made these allegations and complaints against World Liberty to convey an image of World Liberty that was negative and harmful.

95. These defamatory implications are of and concerning World Liberty. Indeed, the Defamatory Statements expressly and repeatedly reference World Liberty.

96. These defamatory implications are reasonably understood to be implications of fact

regarding World Liberty and were reasonably understood by persons seeing them to be implications of fact regarding World Liberty.

97. These implications are false. World Liberty has never engaged in misrepresentations, omissions, fraud, shams, dishonesty, duplicitous conduct, denials of due process, scandals, wrongful acts, unethical acts, or illegal acts.

98. These implications are defamatory. Indeed, the substantial danger of injury to World Liberty's reputation from these implications is readily apparent. These implications would expose—and have exposed—World Liberty to distrust, hatred, contempt, ridicule, or obloquy or cause World Liberty to be avoided, or have a tendency to injure World Liberty in its office, occupation, business, or employment.

99. By publication of these implications, Defendant Sun did cause harm to World Liberty's reputation, expose World Liberty to distrust, hatred, contempt, ridicule, or obloquy, cause World Liberty to be avoided, and injure World Liberty in its office, occupation, business, or employment.

100. These defamatory implications are defamatory *per se* because they tend to subject, and have indeed subjected, World Liberty to hatred, distrust, ridicule, contempt, or disgrace, and because they tend to injure, and indeed have injured, World Liberty in its trade or profession.

101. Defendant made each of the defamatory implications knowing that it was false and/or with a reckless indifference as to its truth.

102. Defendant Sun made these defamatory implications intentionally, willfully, maliciously, and in conscious disregard of World Liberty's rights and reputation and also of the truth.

103. Defendant Sun had no applicable privilege or legal authorization to publish these

false and defamatory implications or, if he did, he abused that privilege.

104. These defamatory implications have been repeated and republished in other media outlets, which was reasonably foreseeable to Defendant Sun, including because of the large number of followers Sun has on X, his notoriety in the cryptocurrency community, and the fact that Sun's statements and actions are often reported in the media. At the time Defendant Sun published his posts on X, he knew that these defamatory implications would be republished and disseminated to new, larger audiences. Indeed, on information and belief, Sun has approached social-media influencers and has paid for robotic social-media accounts to repeat the Defamatory Statements and implications, as well as other disparaging claims, to further expand their spread.

105. World Liberty has also suffered special damages from Sun's Defamatory Statements. This includes, without limitation, lost business opportunities, including a potential business opportunity with Native Market that Native Market refused to proceed with at least in part due to the Defamatory Statements. Additionally, the Defamatory Statements caused World Liberty to have to divert time and resources, including the time and resources of its executives, from profitable efforts to address the Defamatory Statements and the harm they caused to World Liberty.

106. In addition to injuries presumed by law, these defamatory implications have injured—and will continue to injure—World Liberty.

107. Defendant Sun is liable to World Liberty for damages arising out of his defamation of World Liberty.

108. Defendant Sun may also be subject to liability to World Liberty for punitive damages because of the wanton and outrageous nature of his defamation, and World Liberty reserves its right to move for leave to seek punitive damages at the appropriate time.

**PRAYER OF RELIEF**

WHEREFORE, World Liberty respectfully requests that the Court enter judgment in its favor and against Defendant Yuchen (Justin) Sun as follows:

- 1) Award World Liberty compensatory, special, and actual damages in amounts to be proven at trial;
- 2) Award World Liberty presumed and general damages in amounts to be proven at trial;
- 3) Award World Liberty its reasonable expenses, including but not limited to reasonable attorneys' fees;
- 4) Award World Liberty all costs, disbursements, fees, and pre- and post-judgment interest as authorized by law;
- 5) Order that Sun retract all Defamatory Statements; and
- 6) Award World Liberty such other and additional relief and remedies as the Court may deem just and proper.

**JURY TRIAL DEMAND**

Plaintiff requests a jury trial on all issues and counts triable to a jury.



**CERTIFICATION UNDER ADMINISTRATIVE ORDER NO. 26-04**

Generative artificial intelligence was used in the preparation of this filing. The undersigned certifies that all factual assertions, legal authority, and citations have been independently reviewed and verified for accuracy and accepts full responsibility for the contents of this filing.

This 4th day of May, 2026.

*/s/ Eric D. Hageman*

Eric D. Hageman

Florida Bar No. 1074753

*Attorney for Plaintiff World Liberty*

*Financial LLC*

# **EXHIBIT A**

WRITER'S DIRECT DIAL NO.  
**(202) 538-8120**

WRITER'S EMAIL ADDRESS  
**williamburck@quinnemanuel.com**

April 20, 2026

**CONFIDENTIAL**

**VIA E-MAIL**

**SENZER@CAHILL.COM**

Yuchen (Justin) Sun  
c/o Samson A. Enzer  
Cahill Gordon & Reindel LLP  
32 Old Slip  
New York, NY 10005

**Re: Demand for Retraction and to Immediately Cease and Desist Defamation of World Liberty**

Dear Yuchen:

We write on behalf of World Liberty Financial LLC (“World Liberty”) concerning multiple recent defamatory statements you have made on your X account, as detailed below. World Liberty demands that you immediately retract those defamatory statements, publicly correct them, and cease and desist any defamation of World Liberty.

In September 2025, you publicly expressed that you were “[e]xcited to share [your] thoughts on \$WLFI,” proclaiming your belief that \$WLFI would be “one of the biggest and most important projects in crypto.” [REDACTED]

[REDACTED] World Liberty discovered this and other misconduct, such as your prohibited straw purchases of \$WLFI. World Liberty then took action to protect itself and its community, including freezing your entities’ tokens so World Liberty could assess misconduct by you and those entities and limit the ill effects on World Liberty.

World Liberty gave you a chance to explain yourself and work constructively with World Liberty to address these issues, but you did not take it. Instead you resorted to repeated threats of litigation, including a bad faith threat to file public litigation (notwithstanding your admission that

any such dispute was subject to mandatory arbitration). Your counsel stated, on your behalf, that this public litigation would “light World Liberty on fire” and cause the \$WLFI token price to “go to shit,” showing that these were calculated, baseless, and bad-faith threats. You later tried to intimidate World Liberty by siccing Chinese law enforcement on World Liberty employees by making false reports to law enforcement that World Liberty stole from you, which resulted in the extensive interrogation of a World Liberty employee who was located in Beijing.

World Liberty refused to bow to those bad-faith threats and attempted intimidation tactics, so you now have taken a new tact: a coordinated smear campaign to defame World Liberty, destroy the cryptocurrency community’s trust in World Liberty, and tank the \$WLFI token price, irreversibly harming World Liberty’s business. This includes several recent posts on your X account, published to your millions of followers.<sup>1</sup> These posts, which have subsequently been

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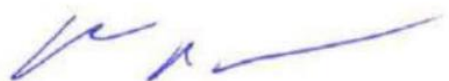
<sup>1</sup> These include, without limitation, (1) <https://x.com/justinsuntron/status/2043234272622883074> ; (2) <https://x.com/justinsuntron/status/2043357056250614013>; (3) <https://x.com/justinsuntron/status/2043578233023774723>; and (4) <https://x.com/justinsuntron/status/2044478300236746912> , as well as any translated versions of any of those posts. The statements in those posts that are defamatory and false include, at a minimum: “World Liberty embedded a backdoor blacklisting function in the smart contract used to deploy WLFI tokens”; “This function gives the Company unilateral power to freeze, restrict, and effectively confiscate the property rights of any token holder, without notice, without cause, and without recourse.”; that World Liberty engaged in a “wrongful blacklisting of [Sun’s] WLFI token wallet back in 2025, that violates basic investor rights and blockchain principles of fairness”; that “[e]very action taken by the WLFI team to extract fees from users, to secretly implant backdoor controls over user assets, to freeze investor funds without disclosure or due process, and to treat the crypto community as a personal ATM — all of these actions are illegitimate and were never authorized by any fair, transparent, or good-faith community governance process.”; “[t]he governance votes cited to justify these actions were not conducted through a fair or transparent process. Key information was withheld from voters, meaningful participation was restricted, and the outcomes were predetermined. These votes do not represent the will of the community — they represent the will of those who designed them.”; World Liberty “secretly implant[ed] backdoor controls over user assets, to freeze investor funds without disclosure or due process”; that World Liberty “treat[s] the crypto community as a personal ATM.”; “community governance and voting are meaningless”; “Every proposal, every vote, every claim of decentralized decision-making is theater.”; “The entire governance framework has been hollowed out from the inside”; World Liberty has “concentrate[d] this level of power in a single anonymous address.”; World Liberty was proposing an “absurd governance scam[]”; World Liberty was engaging in “Punishment” and “Coercion”; “This isn’t a legitimate vote; it’s coercion. The proposal’s design itself is a logical trap: anyone who votes against it will have their tokens locked indefinitely, with no path to unlocking.”; “In other words, you oppose this proposal, and you’re punished. This isn’t voting; it’s coercion.”; “I personally hold about 4% of the voting power, but my tokens have been frozen, and I’ve been forcibly excluded from the voting process.”; “I’m not an isolated case. A large number of holders with significant voting power are in the same state. Meanwhile, the team holds the power to freeze tokens—they decide who gets to vote and who doesn’t. What does that mean? It means the outcome was decided before the vote even started.”; “This isn’t governance voting. It’s a performance where the police have barricaded the parliament doors, letting only their own people in to raise their hands. The voting pool has been purged; only

published in the national and international media, contain numerous false statements about World Liberty that you made to intentionally harm World Liberty and with knowledge that they were false. World Liberty has been harmed—and will continue to be harmed—by these defamatory statements, including harm to the \$WLFI token price, harm to World Liberty’s reputation in the cryptocurrency community, and lost business opportunities resulting from these defamatory statements.

In light of your blatant defamation of World Liberty, World Liberty demands that you preserve all documents, records, and communications of any kind—including emails, text messages, logs of conversations with AI chatbots or similar AI tools, and other communications related to the posts listed above and the topics addressed in them, media coverage about those posts, World Liberty, \$WLFI and your investment in \$WLFI, and World Liberty governance votes. This includes, without limitation, turning off any auto-delete settings on any form of communication.

World Liberty reserves all rights.

Sincerely,



William A. Burck

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yes votes remain.”; “All Real Power Stolen by Anonymous Actors”; “This anonymous multisig can ignore any vote outcome and execute any operation directly at the contract level. The so-called governance proposals, on-chain votes, and community discussions are all just theater. Real power has never been handed over to anyone else, and their attempt to fool the community with these tricks is laughable.”; “The fact is: power is held by anonymous wallet addresses whose owners no one knows and whose identities can’t be verified. This isn’t decentralized governance; it’s dictatorship dressed in DAO clothing.”; “But who are the guardian and multisig signers who truly hold the contract’s life-and-death power? No one is told—zero transparency. The ruled must dox themselves, while those with absolute power remain anonymous. Your voters have to register, face scrutiny, get their qualifications audited, and be instructed how to vote—while your dictator won’t even show their face.”; World Liberty has engaged in “Naked Violation of Billions in Property Rights”; the governance proposal is a “a naked deprivation of holders’ property rights.”; “This isn’t governance; it’s a scam, utterly divorced from the protocol’s original intent.”; “And here, a few anonymous wallets can decide everything. The permanent destruction of tokens means holders’ property is irreversibly obliterated—no compensation, no recourse, no due process. This goes far beyond the scope of so-called ‘decentralized governance’; it’s a systematic assault on property rights.”; “this proposal is unlawful governance. It’s a select few exercising power, meticulously orchestrating a further consolidation of control and plunder of property.”; “Dissenters are punished for their no votes, nonconformists are frozen, actual control rests with anonymous wallets, those exercising rights must prove their identity, and the fate of billions in assets is decided by this sham vote.”