

United States Senate

WASHINGTON, DC 20510

June 9, 2025

Chairman Paul Atkins
Securities and Exchange Commission
100 F Street NE
Washington, D.C. 20549

Chairman Atkins:

Congratulations on your confirmation as the 34th Chairman of the U.S. Securities and Exchange Commission (SEC). Over the last four years, your predecessor, Gary Gensler, mismanaged the SEC and pushed a radical anti-business, anti-investor, and anti-innovation agenda that stifled our financial markets, harmed retail investors, and made America less competitive. Fortunately, President Trump is acting quickly and decisively to reverse the Biden administration's many failures and restore the American economy to greatness. Your pro-growth, pro-investor leadership is needed now more than ever to reestablish the SEC's credibility, unleash the full power of America's financial markets, and provide more opportunity for millions of Main Street Americans who want to invest for the future.

While former Chairman Gensler prioritized multiple regulatory solutions in search of problems, such as his illegal "climate change" disclosure rule and his enforcement program designed to systematically destroy the cryptocurrency industry in the U.S., he ignored the very real threats against retail investors that we and our colleagues repeatedly brought to his attention related to the infiltration of our capital markets by Chinese-owned broker-dealers with possible ties to the Chinese Communist Party (CCP), including Webull, MooMoo, and Prometheum.^[1] For example, in May 2023, then-Congressman, now Senator, Banks and I wrote to Chairman Gensler and Financial Industry Regulatory Authority (FINRA) CEO Robert Cook:

As you are aware, Webull and Moomoo collect highly sensitive personal information from millions of their U.S. customers, including personally identifiable information (PII) such as Social Security numbers, mailing addresses, and financial account data. . . . In light of Beijing's increasingly strict privacy laws barring many Chinese companies from sharing data with Western regulators, the presence of Webull registered representatives in the PRC raises serious concerns regarding (1) Webull's ability to meet its supervisory obligations under SEC and FINRA rules; (2) the SEC's and FINRA's ability to oversee and examine Webull and its registered representatives and associated persons located in the PRC; (3) the adequacy of Webull's compliance with all SEC and FINRA recordkeeping requirements; (4) the ability of the SEC and FINRA to adequately enforce federal

securities laws, including the ability to obtain documents and information from Webull employees located in the PRC; and (5) the potential for U.S. customer PII to be shared or exfiltrated to Webull employees or affiliated entities located in the PRC.^[iii]

Since then, the House Select Committee on the Chinese Communist Party (Select Committee) and several State Attorneys General, led by Indiana Attorney General Todd Rokita, have opened separate inquiries into Webull's ties to the CCP and have exposed troubling facts which call into question the safety of these platforms for U.S. retail investors.^[iii] For example, the Select Committee discovered that an affiliate or subsidiary of Webull (Hunan Weibu Information Technology Co., Ltd.,) "received multiple grants from the Changsha Municipal Government's special fund to optimize foreign investment through cost offsets supporting offshore service outsourcing," pursuant to which "recipients of this special fund are required to 'support the leadership of the Chinese Communist Party.'"^[iv] Similarly, the State Attorneys General inquiry found that "Webull appears to have an affiliated research and development facility (R&D Facility) with hundreds of employees in Changsha, China. SEC filings indicate that the R&D Facility may provide services or support to Webull's US brokerage operations."^[v] In fact, Webull's May 9, 2025, Prospectus states:

"[O]ur mainland China subsidiary, Hunan Weibu Information Technology Co., Ltd., employs 731 employees, representing 61% of our employees as of December 31, 2024, and is subject to the jurisdiction of the People's Republic of China. We cannot be certain that future laws, rules, or regulations will not be drafted in a way that brings us within their scope and that such laws will not materially and adversely affect our business, financial condition, and results of operations."

We were disappointed to see that earlier this year, the SEC approved Webull to proceed with its Special Purpose Acquisition Company (SPAC) transaction, which now allows Webull to fully exploit U.S. markets – and, by extension, American investors who put their hard-earned money to work in these markets – as a public company listed on Nasdaq. Webull's March 2025 Investor Presentation filed with the SEC on March 31, 2025, and its May 2025 Prospectus, appear to contain many of the same troubling connections between Webull and the CCP that legislators and law enforcement authorities have repeatedly raised to your predecessor, including continued ownership and control by individuals and entities that appear to be domiciled in China.^[vi] The SEC should not allow Chinese companies to list on U.S. exchanges and enjoy the benefits of our capital markets, while failing to adhere to U.S. law. As Senator Rick Scott noted in a letter to you earlier this month, "These companies consistently fail to meet the requirements of our markets – misleading American investors and putting their investments and U.S. national security and economic security at risk[.]" The risks posed by Chinese companies listed in the U.S. were the recent subject of an April 9, 2025 joint House-Senate hearing titled, "Financial Aggression: How the Chinese Communist Party Exploits American Retirees and Undermines National Security."^[vii]

Relatedly, the notion of registering broker-dealers with ties to the CCP – especially firms with affiliates, operations, and owners based in China – is entirely inconsistent with the federal securities laws, FINRA rules, and the Holding Foreign Companies Accountable Act of 2020.^[viii] As you know, neither the SEC nor FINRA have the authority to conduct examinations or enforcement investigations of Webull’s substantial operations and employees in mainland China which, as noted above, may support the U.S. brokerage.

We urge you to take immediate action to delist all Chinese companies from the U.S. markets and rescind Chinese-owned broker-dealers’ licenses to operate in the U.S.

Sincerely,



Tommy Tuberville
U.S. Senator



Jim Banks
U.S. Senator

^[1] Letter from the House Select Committee on the Chinese Communist Party to Webull CEO, Anthony Denier, (Nov. 25, 2024), available here: <https://selectcommitteeontheccp.house.gov/sites/evo-subsites/selectcommitteeontheccp.house.gov/files/evo-media-document/Webull%2011.25%20-%20Final.pdf>; Letter from Sen. Tommy Tuberville (R-AL) and Rep. Jim Banks (R-IN) to SEC and FINRA (May 3, 2023) (“May 2023 Tuberville-Banks Letter”), available here: <https://static.foxnews.com/foxnews.com/content/uploads/2023/05/Tuberville-Banks-Oversight-Letter-to-SEC-FINRA-5.3.20231.pdf>; Letters from Sen. Tommy Tuberville (R-AL) to SEC and FINRA (Jun. 5, 2023), available here: https://www.tuberville.senate.gov/wp-content/uploads/FILE_3666.pdf and to SEC and DOJ (July 10, 2023), available here: https://www.tuberville.senate.gov/wp-content/uploads/FILE_3666.pdf; Letter from Sens. Tommy Tuberville (R-AL), Ted Cruz (R-TX), Mike Braun (R-IN), Rick Scott (R-FL), and Roger Marshall (R-KS) to SEC Chair Gary Gensler (Jul. 29, 2022), available here: <https://www.tuberville.senate.gov/newsroom/press-releases/tuberville-colleagues-call-for-investigation-into-stock-trading-platforms-with-ties-to-china/>; Letter from Rep. Ritchie Torres (D-NY) to SEC IG and GAO (July 13, 2023), available here: <https://twitter.com/RepRitchie/status/1679534903661301761/photo/1>; Letter from Rep. Sherman (CA-32) to SEC as reported in Capitol Account (Feb. 23, 2023); See questioning by Rep. Blaine Luetkemeyer (MO-3), House Financial Services Committee Hearing Transcript (June 13, 2023), available here: <https://www.congress.gov/event/118th-congress/house-event/116085> and Letter from Rep. Luetkemeyer to SEC and FINRA (Sept. 26, 2023), available here: <https://luetkemeyer.house.gov/uploadedfiles/20230926181427040.pdf>; See questioning by Rep. Lee Zeldin (NY-1), House Financial Services Committee Hearing Transcript (Feb. 18, 2021), available here: <https://www.congress.gov/event/117th-congress/house-event/111207>; See questioning by Sen. Steve Daines (R-MT), Senate Banking Committee Hearing (Sept. 14, 2021), available here: <https://www.banking.senate.gov/hearings/09/10/2021/oversight-of-the-us-securities-and-exchange-commission>; Letter from Senator Cotton (R-AR) to Director of National Intelligence Avril Haines (Sept. 23, 2021), available here: <https://www.cotton.senate.gov/news/press-releases/cotton-calls-for-investigation-of-chinese-stock-trading-app>; Letter from Rep. Lawler (R-NY) to Treasury Secretary Yellen (Apr. 27, 2023), available here: <https://lawler.house.gov/news/documentsingle.aspx?DocumentID=257> and Letter from Rep. Lawler (R-NY) to Treasury Secretary Yellen (Jul. 21, 2023), available here: <https://lawler.house.gov/news/documentsingle.aspx?DocumentID=556>; See questioning by Rep. Mike Lawler (NY-17), House Financial Services Hearing Transcript (Feb. 7, 2023), available here: <https://www.congress.gov/event/118th-congress/house-event/115279>; See questioning from Rep. Timmons (R-SC), House Financial Services Committee Hearing Transcript (Feb. 6, 2024), available here: <https://financialservices.house.gov/calendar/eventsingle.aspx?EventID=409126>; See questioning from Sen. Hagerty (R-TN), Senate Banking Committee Hearing (Sept. 6, 2023), available here: <https://www.banking.senate.gov/hearings/09/06/2023/oversight-of-the-us-securities-and-exchange-commission>.

^[2] May 2023 Tuberville-Banks Letter.

^[3] See Charles Gasparino, Chinese-linked trading platform Webull facing GOP Scrutiny, New York Post (Nov. 17, 2024), citing October 9, 2024 letter from State AGs to Webull (“October 2024 State AG Letter”), available here: <https://nypost.com/2024/11/17/business/chinese-brokers-red-flags-facing-gop-scrutiny/>; Letter from Indiana AG Rokita and 13 other state AGs to Webull (Apr. 16, 2024), available here: https://content.govdelivery.com/attachments/INAG/2024/04/16/file_attachments/2848854/Letter%20to%20Webull%20Final.pdf.

^[4] During an April 16, 2025 Fox News interview, Webull Group President Anthony Denier (now an officer of a U.S. public company) appeared to deny and, later in the interview, disclaim knowledge of the Chinese government grant to Webull’s affiliate in China, despite the fact that the Select Committee’s letter (which contains information about the grant) was addressed directly to Mr. Denier.

^[5] October 2024 State AG Letter.

^[6] See Webull Investor

Presentation, https://www.sec.gov/Archives/edgar/data/1866364/000101376225004425/ea023629001ex99-1_skgrowth.htm; Webull

Prospectus, https://www.sec.gov/Archives/edgar/data/1866364/000121390025041567/ea0241438-424b3_webullcorp.htm (The Prospectus describes in detail what appears to be continued, material ownership and control of Webull by Chinese individuals and entities including, but not limited to, Anquan Wang, Gopher Asset, Tianjin Jinmi Investment Partnership (LP), Tianjin Zhiying Enterprise Management Partnership (LP), Hillhouse

entities, and Hongdao Capital entities. We note that Chinese telecom giant Xiaomi, which was originally banned under the first Trump Administration, appears to still own a stake in Webull through Tianjin Jinmi: “The general partner and investment manager of Tianjin Jinmi Investment Partnership (Limited Partnership) is Tianjin Jinxing Venture Investment Co., Ltd., a consolidated affiliated entity of Xiaomi Corporation, a corporation publicly held and traded on the Hong Kong Stock Exchange (stock code: 01810). Jun Lei has the majority voting power in Xiaomi Corporation and is deemed to beneficially own our shares held by Xiaomi Corporation. The registered office of Tianjin Jinmi Investment Partnership (Limited Partnership) is Room 904, Huaying Building, Center Avenue, Tianjin Pilot Free Trade Zone (Airport Economic Zone), Tianjin, China.”)

^[10] See Opening Statement – Kevin O’Leary (April 9, 2025) (“The Chinese Communist Party has the ability and the desire to exercise total control over its people and their companies – and anyone else who wants to do business with or operate inside its territory. This has led the CCP to passing various laws in the realm of cybersecurity, espionage, intelligence, and beyond, and other mechanisms to control its corporations, industries, and business partnerships, all to the detriment of US investors.”), https://www.aging.senate.gov/imo/media/doc/713d6dee-b247-ab39-387e-35005767f950/Testimony_O%27Leary%2004.09.25.pdf.

^[11] See Testimony of Christopher A. Iacovella, President & CEO, American Securities Association (April 9, 2025) (“It is shocking that a broker-dealer with operations in mainland China and affiliated with the CCP can be registered to do business in this country.”), https://www.aging.senate.gov/imo/media/doc/713d6dee-b247-ab39-387e-35005767f950/Testimony_Iacovella%2004.09.251.pdf.