

# The President Just Used a Stablecoin He Profits From to Pay Athletes on Government Property

UFC Freedom 250. White House South Lawn. June 14 2026. 250000 in USD1. 4.6 Billion Circulating. OCC Banking License Filed. CLARITY Act Stalled. -- Q2 2026

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On June 14, 2026 -- President Donald Trump's 80th birthday and US Flag Day -- UFC Freedom 250 was held on the South Lawn of the White House, making it the first major professional mixed martial arts event ever staged on the grounds of the executive mansion. World Liberty Financial, the decentralized finance project backed by President Trump and his family, served as the presenting partner of the event's Performance of the Night bonus pool, distributing \$250,000 across seven matches entirely in USD1 -- the dollar-pegged stablecoin that World Liberty Financial issues. A commentator announced during the broadcast: tonight's \$250,000 performance bonus in USD1 is presented by World Liberty Financial. Zach Witkoff, World Liberty Financial's Chief Executive and the son of Trump's Middle East special envoy Steve Witkoff, framed the payments as a demonstration of USD1 utility: a victory in Washington should mean money in your pocket immediately, not when the bank opens. USD1's circulating supply has grown from approximately \$3.3 billion at the start of 2026 to approximately \$4.6 billion as of June 2026 -- making it the sixth largest dollar-backed stablecoin by total supply according to The Block's data. World Liberty Financial has applied for a banking license from the Office of the Comptroller of the Currency through its affiliated entity World Liberty Trust Company, which filed a de novo application in January 2026 to establish a national trust bank for stablecoin issuance and custody. Trump's most recent financial disclosure shows he has made more than \$57.3 million from sales of World Liberty's governance token. The Trump family reportedly receives approximately 75% of net proceeds from WLF token sales, plus a share of yields generated on USD1 reserves. The regulatory environment for stablecoins is being shaped in part by an administration with a direct financial interest in a stablecoin issuer. That is the analytically precise description of what happened on the South Lawn of the White House on June 14, 2026.

## 01 -- WHAT WORLD LIBERTY FINANCIAL AND USD1 ACTUALLY ARE

World Liberty Financial is a decentralized finance project founded in 2024 by members of the Trump family and close business associates. According to the venture's gold paper -- its founding document -- the co-founders include Donald Trump, his three sons Donald Trump Jr., Eric Trump, and Barron Trump, Middle East special envoy Steve Witkoff, and Witkoff's two sons Zach and Harrison Witkoff. The document notes that Trump and Steve Witkoff were removed from the listed team after Trump took office in January 2025, though Trump's financial disclosures confirm his continued economic interest in the venture.

USD1 is the stablecoin that World Liberty Financial issues -- a dollar-pegged token backed by reserve assets designed to maintain a one-to-one peg with the US dollar. Like USDC and USDT, USD1 issuers earn interest income on the reserve assets backing the circulating supply -- predominantly US Treasury bills and other short-duration dollar-denominated instruments. At \$4.6 billion in circulating supply and a Treasury bill yield of approximately 4.3%, the annual interest income on USD1 reserves is approximately \$197 million. The Trump family's share of that income -- through the 75% net proceeds arrangement on WLF token sales and the yield-sharing arrangement on USD1 reserves -- represents a substantial and ongoing financial interest that continues throughout Trump's second presidential term.

The GENIUS Act -- signed by President Trump into law in July 2025 -- is the primary federal legislation governing stablecoins including USD1. The GENIUS Act's mandatory reserve requirements, attestation standards, and regulatory framework for permitted payment stablecoin issuers apply directly to USD1 and World Liberty Financial. The regulatory framework that the GENIUS Act establishes -- and that the Trump administration shaped, championed, and signed into law -- is the same framework within which the Trump family's stablecoin operates and from which it benefits commercially. This conflict of interest has become one of the most contested political dimensions of the crypto regulatory debate in Washington.

The CLARITY Act -- which has stalled in the Senate in part due to concerns about the president's financial ties to World Liberty Financial -- has been specifically cited by lawmakers from both parties as a bill whose passage is complicated by the perception that the president has a personal financial interest in the regulatory outcomes it determines. Congressmembers investigating the ethics dimensions of the Trump family's crypto ventures have pointed to the MGX transaction -- where a Tahnoun bin Zayed-led Abu Dhabi firm used USD1 to settle a \$2 billion transaction, followed by concurrent US AI chip export approvals to the UAE -- as a potential conflict of interest warranting investigation.

***USD1 PROFILE: Dollar-pegged stablecoin issued by World Liberty Financial, founded by Trump family and Witkoff associates. Circulating supply: \$4.6B June 2026, up from \$3.3B at start of year. 6th largest dollar stablecoin by supply per The Block. Annual reserve income at 4.3 percent yield: approximately \$197M. Trump financial disclosure: \$57.3M from WLF governance token sales. OCC national trust bank application filed January 2026.***

## 02 -- THE UFC FREEDOM 250 EVENT: WHAT ACTUALLY HAPPENED ON THE SOUTH LAWN

UFC Freedom 250 was announced by UFC President and CEO Dana White at a press conference at the Lincoln Memorial on June 13, 2026 -- the day before the event. White has been one of the most prominent public supporters of Trump and was a featured speaker at the 2024 Republican National Convention. The UFC's relationship with Trump predates the crypto dimension of the partnership: Trump has attended UFC events and the two organizations have maintained a commercial and personal relationship for years.

The June 14 event on the White House South Lawn carried a production budget above \$60 million according to TKO Group Holdings COO Mark Shapiro, speaking at a Morgan Stanley conference, with

roughly half of that budget offset by sponsorships. World Liberty Financial was one of two crypto entities that served as presenting sponsors -- Crypto.com co-presented a separate \$1 million CRO-denominated bonus pool from a different bonus category, making UFC Freedom 250 the first major sports event with simultaneous bonus pools in two different crypto assets. The White House official Twitter account posted a video of the event with the caption: land of the free, home of the brave -- UFC Freedom 250 has kicked off.

Fighters across seven matches on the card received USD1 bonuses for Performance of the Night recognition -- the UFC designation for exceptional performances that exceed the standard fight purse. The bonuses were paid directly in USD1 tokens rather than converted to dollars before payment, meaning the fighters received actual stablecoin balances rather than dollar-equivalent transfers. As Todd Phillips, a crypto expert at the Klaros Group, told The Guardian: paying the fighters in USD1 would have the same economic function as writing them a check. Announcing to the world they are doing it in USD1 sounds like they are advertising to the world that USD1 is out there and that it is connected to the UFC and the White House.

The event also coincided with a Binance rewards campaign that allocated 178 million WLF1 governance tokens to USD1 holders -- a concurrent promotional mechanism that connected the UFC event's marketing impact to a direct incentive for holding USD1 balances on Binance. The WLF1 token surged approximately 3% on the sponsorship news. The combination of the UFC event, the Binance campaign, and the White House venue created the highest-profile single-day marketing push for USD1 since World Liberty Financial launched the stablecoin.

### 03 -- THE ETHICS DIMENSION: WHO PROFITS AND WHAT THE LAW SAYS

The use of a presidential family's commercial crypto product at a government-owned venue -- funded in part by taxpayer-maintained property and promoted by the official White House Twitter account -- is the dimension of the UFC Freedom 250 event that has drawn the most sustained scrutiny from ethics experts, legal analysts, and congressional investigators.

Fortune's reporting on the ethics dimension cited a gap in federal conflict-of-interest law that applies specifically to presidents: the federal ethics statute that prohibits government employees from participating in matters affecting their financial interests includes a specific exemption for the President and Vice President. This exemption -- which has existed in federal law for decades and was designed to allow the president to govern without recusing from every matter that could affect the president's personal finances -- creates a legal environment where Trump's participation in promotional activities for USD1 and World Liberty Financial is not technically prohibited by the same conflict-of-interest rules that would prohibit any other senior government official from similar conduct.

The Trump family reportedly receives approximately 75% of net proceeds from WLF1 governance token sales. Trump's financial disclosure filed during the UFC Freedom 250 weekend showed \$57.3 million earned from WLF1 governance token sales -- a figure that has grown substantially as USD1's circulating supply has expanded and the GENIUS Act regulatory framework has provided legitimacy to the stablecoin market in which USD1 operates. The disclosure was released on the same Saturday as the UFC event, creating the simultaneity of the Trump family's most prominent USD1 marketing event and

the public confirmation of the financial scale of the Trump family's USD1 commercial interest.

A former New York Federal Reserve examiner cited by CryptoNews stated that World Liberty Financial may have issued an unregistered security through its WLFI governance token -- a concern that predates the UFC event and that the pending OCC national trust bank application does not directly resolve. The OCC application, filed by World Liberty Trust Company in January 2026, is the same pathway that Coinbase, Ripple, and the other crypto companies documented in the Alain Al Lab banking charter report pursued -- the OCC de novo national trust bank charter that grants federal banking authorization for stablecoin issuance and custody. The difference is that those companies are not headed by the family of the sitting President of the United States, who signed the stablecoin legislation that their banking charter application operates under.

***ETHICS FRAMEWORK: Federal conflict-of-interest statute exempts President and Vice President. Trump financial disclosure shows \$57.3M from WLFI governance token sales released the same weekend as the UFC event. Trump family receives approximately 75 percent of net WLFI token proceeds plus share of USD1 reserve yields. CLARITY Act stalled in part over these conflict-of-interest concerns per multiple congressional sources.***

## 04 -- THE DOLOMITE EPISODE: THE CONTEXT THAT MAKES THE UFC EVENT MORE COMPLEX

The UFC Freedom 250 marketing push for USD1 as a payments tool comes months after World Liberty Financial's most significant reputational crisis -- the Dolomite lending protocol episode that temporarily locked retail depositors out of their USD1 positions and that CoinDesk described as going from \$75 million DeFi drama to the White House lawn.

The Dolomite episode occurred when World Liberty Financial took out a loan of more than \$75 million from the Dolomite DeFi lending protocol, using 3 billion of its own WLFI governance tokens as collateral. The loan was large enough relative to the USD1 pool on Dolomite that it pushed the pool to 93% utilization -- a level at which the lending protocol's liquidity management rules temporarily prevented retail depositors from withdrawing their USD1 funds. Users who had deposited USD1 into the Dolomite protocol found themselves unable to access their funds during the period of high utilization, creating the first significant consumer protection incident directly associated with USD1.

World Liberty Financial is also engaged in ongoing litigation with Justin Sun -- the crypto tycoon and founder of the Tron blockchain who was an early buyer of WLFI governance tokens. Sun sued World Liberty Financial alleging that it improperly froze his holdings. WLFI countersued Sun for defamation. The Sun litigation is ongoing and creates additional legal uncertainty around World Liberty Financial's governance and token holder rights at the same time that the company is seeking an OCC national trust bank charter and operating under the GENIUS Act regulatory framework.

The context of the Dolomite episode and the Sun litigation -- both unresolved at the time of the UFC Freedom 250 event -- is why Todd Phillips's observation that the event was advertising to the world that USD1 is out there is analytically precise. World Liberty Financial is using the highest-profile commercial venue available to it -- the White House South Lawn, the UFC broadcast, the Binance token campaign -- to restore and expand USD1's market position after a period of reputational damage that coincided with

its most significant growth in circulating supply. USD1 grew from \$3.3 billion to \$4.6 billion between January and June 2026 despite the Dolomite episode -- a growth rate that the UFC sponsorship is designed to accelerate.

## 05 -- USD1 IN THE STABLECOIN COMPETITIVE LANDSCAPE: POLITICAL MOAT VS PRODUCT MOAT

USD1's position in the stablecoin competitive landscape is analytically distinct from every other major stablecoin because its primary competitive advantage is not product differentiation -- USD1's reserve structure, dollar peg mechanism, and technical implementation are not materially different from USDC or USDT -- but political proximity to the executive branch of the US government during a period when stablecoin regulation is being actively shaped by that executive branch.

USDC is the GENIUS Act-compliant, OCC-chartered stablecoin that Circle has built with institutional custody infrastructure, the most transparent reserve attestation process in the market, and the deepest integration with regulated US financial institutions. USDC's competitive moat is product quality and regulatory standing -- the stablecoin that meets the highest standards of the regulatory framework that the GENIUS Act established. USDT is the dominant global stablecoin by circulating supply at approximately \$141 billion, with global reach, deep liquidity, and the network effect of being the first widely adopted dollar stablecoin. USDT's competitive moat is distribution and liquidity.

USD1's competitive moat is neither product quality nor distribution in the USDC or USDT sense. It is political association -- the stablecoin issued by the family of the sitting President, who signed the GENIUS Act, who is shaping the CLARITY Act, and whose administration is selecting the OCC officials who will rule on USD1's banking charter application. The MGX \$2 billion transaction that used USD1 for settlement -- and the subsequent congressional investigation into whether that transaction was connected to US AI chip export approvals to the UAE -- is the most commercially significant demonstration of how USD1's political moat creates institutional demand that no product feature or distribution partnership could replicate.

CryptoBriefing's analysis of the UFC event framed the competitive assessment precisely: USD1's value proposition is currently inseparable from its political associations. Investors evaluating USD1 against established stablecoins should weigh whether the token's adoption is driven by genuine utility or by proximity to executive power. The UFC event and the \$250,000 in fighter bonuses are a marketing exercise designed to add a utility narrative -- USD1 as a payments tool that makes money move faster than a bank -- to a stablecoin whose actual adoption has been driven primarily by institutional actors with political and commercial reasons to hold it.

## 06 -- WHAT USD1 MEANS FOR THE BROADER STABLECOIN MARKET AND GENIUS ACT FRAMEWORK

The USD1 story -- from the GENIUS Act passage in July 2025 through the Dolomite episode, the Justin Sun litigation, the MGX \$2 billion transaction, the OCC banking charter application, and now the UFC Freedom 250 White House event -- is the most concentrated demonstration of how the political and

commercial dimensions of stablecoin regulation intersect when the regulator and the regulated are members of the same family.

For USDC and Circle -- the stablecoin issuer that has built the most institutionally credible compliant stablecoin under the GENIUS Act framework -- USD1's growth represents a competitive dynamic that no product improvement can address: a competitor whose market position is supported by executive branch proximity rather than by regulatory compliance quality. Circle's response has been to accelerate its OCC national trust bank charter application and its institutional distribution partnerships -- building the product and regulatory standing that will matter in a post-Trump regulatory environment regardless of which stablecoin benefits from political proximity during the current administration.

For the CLARITY Act's Senate passage -- which has stalled in part over the president's financial ties to World Liberty Financial -- the UFC Freedom 250 event is unlikely to help. Every high-profile USD1 marketing activation that associates the Trump family's commercial crypto interests with the regulatory environment the Trump administration is shaping gives the bipartisan bloc of senators who have raised ethics concerns additional evidence that the CLARITY Act's stablecoin provisions are being shaped by a president with a personal financial stake in the outcome. The Tillis-Alsobrooks compromise that preserved USDC rewards revenue -- and that was documented in the Alain AI Lab CLARITY Act series -- navigated this political complexity carefully. The UFC event makes that navigation harder.

## 07 -- CONCLUSION: THE MOST VISIBLE STABLECOIN PAYMENT IN HISTORY AND WHAT IT ACTUALLY PROVES

The \$250,000 in USD1 fighter bonuses paid on the White House South Lawn on June 14, 2026 is the most visible single stablecoin payment event in the history of the asset class. No previous stablecoin payment has been broadcast on a major sports network, announced from the Lincoln Memorial by a former champion president's ally, and amplified by the official White House social media account. As a marketing event for the concept of stablecoin payments -- the idea that a digital dollar can move instantly to pay a fighter the moment their hand is raised -- it is the most effective consumer-facing demonstration the asset class has produced.

What the event does not prove is that USD1 is the stablecoin best positioned to carry the next trillion dollars of stablecoin adoption. The \$250,000 payment is economically identical to a check, as Todd Phillips observed. The circulating supply of \$4.6 billion is growing but remains a fraction of USDC at \$77 billion and vastly smaller than USDT at \$141 billion. The Dolomite episode demonstrated that USD1's DeFi integration carries consumer protection risks that the GENIUS Act's mandatory reserve framework was designed to prevent. The OCC banking charter application is pending alongside the same applications from Coinbase, Ripple, and BitGo that the Alain AI Lab charter wave report documented -- with no indication that World Liberty Financial's application will receive preferential treatment from the OCC career staff who process these applications.

For investors tracking the stablecoin market documented throughout the Alain AI Lab research library -- the GENIUS Act mandatory Treasury demand, the USDC institutional infrastructure, the bank stablecoin entries from JPMorgan and Fidelity, and now the USD1 political moat -- the UFC Freedom 250 event is a data point about the intersection of political power and financial innovation rather than a signal about

stablecoin market leadership. The stablecoin that wins the next decade of adoption will win it through product quality, regulatory standing, institutional distribution, and the trust of the hundreds of millions of users who will eventually hold digital dollars. Proverbs 11:3 says the integrity of the upright guides them. In the stablecoin market as in everything else, the foundation matters more than the spectacle.

***UFC Freedom 250 White House South Lawn June 14 2026. \$250,000 in USD1 fighter bonuses across seven matches. World Liberty Financial presenting partner. USD1 circulating supply \$4.6B up from \$3.3B at start of 2026. Trump financial disclosure: \$57.3M from WLFI token sales released same weekend. OCC banking license application filed January 2026. CLARITY Act stalled in part over conflict-of-interest concerns. The most visible stablecoin payment in history. The foundation still matters more than the spectacle.***

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