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DIGITAL CURRENCY

Eight Celebrities Busted by the SEC for Illegally Touting Crypto

Actress Lindsay Lohan and social media star and boxer Jake Paul among those who reached settlement with the SEC.

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The Securities and Exchange Commission said Wednesday it would accept settlements from celebrities, including Lindsay Lohan, who promoted cryptocurrency without disclosing they were being paid for their services.

“On February 11, 2021, Lohan—a well-known actress, singer, and internet personality—touted on social media a crypto asset security that was being offered and sold,” [the SEC said](#) in a cease-and-desist order. “Lohan did not disclose that she was being paid to give publicity to such security by the entity offering and selling it to the public.”

Lohan, a 36-year-old resident of Dubai, received \$10,000 for a tweet pushing tokens for cyber banker Justin Sun’s Tron Foundation Limited. The “Mean Girls” star was ordered to surrender her ill-gotten funds and pay a fine.

“Respondent shall pay disgorgement of \$10,000, prejudgment interest of \$670, and a civil money penalty in the amount of \$30,000 to the Securities and Exchange Commission,” the SEC wrote.

Social media star and boxer Jake Paul made more than \$25,000 promoting Justin Sun’s company to his 3.8 million Twitter followers a day after Lohan sent her problematic tweet.

Feds said he’s [agreed to surrender that money](#) with interest collected, plus “a civil money penalty in the amount of \$75,057.”

Rapper Little Yachty, who Paul mentioned in his tweet, joins musicians Ne-Yo, Austin Mahone and Akon, as well as adult film director Kendra Lust, on the SEC’s list of celebrities who “illegally” touted Justin Sun’s crypto brand.

DeAndre Cortez Way—better known as “Booty Meat” rapper Soulja Boy—was also [named by the SEC](#) for surreptitiously pushing sponsored cryptocurrency tips to his 5.2 million Twitter followers in January 2021.

“With the exception of Cortez Way and Mahone, the celebrities charged today agreed to pay a total of more than \$400,000 in disgorgement, interest, and penalties to settle the charges, without admitting or denying the SEC’s findings,” the SEC said.

Sun, a 32-year-old cryptocurrency entrepreneur from China who attended the University of Pennsylvania, retired as Tron’s CEO at the end of 2021 to [become](#)

Grenada's ambassador to the World Trade Organization. At the time, his net worth was estimated at **\$300 million**, according to Entrepreneur.

The SEC's charges of impropriety were leveled against Sun and his trio of wholly-owned companies: Tron Foundation Limited, BitTorrent Foundation Ltd. and Rainberry Inc.

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